

REPORT
INDIAN TEA ASSOCIATION
1958

INDIAN TEA ASSOCIATION

Report for the year ended 31st December, 1958.

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INDIAN TEA ASSOCIATION

REPORT OF THE GENERAL COMMITTEE FOR THE YEAR ENDED 31ST DECEMBER, 1958.

The General Committee have pleasure in presenting to members their report on the work of the Association during their period of office.

Membership.—(a) *Admissions.*—The following Tea Estates were admitted to membership of the Association during the year under review:—

Haroocharai Tea Estate.

Urrunaband Tea Estate.

Jungpana Tea Estate

(b) *Resignations.*—The following Tea Companies and tea estates resigned from the membership of the Association during the year:—

Bamandanga Tea Estate.

Borokai Tea Estate.

Bundapani Tea Estate.

Larsingah Tea Estate

Pussimbing Tea Co., Ltd.

Singell Tea Co., Ltd.

Tiok Tea Estate.

Tondoo Tea Estate.

Tukvar Co., Ltd.

Washabarie Tea Estate.

General Committee, Chairman and Vice-Chairman.— At the Annual General Meeting of members of the Association held on the 7th March, 1958 the following firms were declared elected by the vote of members to constitute the General Committee

for the year 1958 and the representatives of these firms, who comprised the Committee during the year, were as stated:—

<i>Firms</i>	<i>Representatives.</i>
Messrs. Balmer Lawrie & Co., Ltd.	{ Mr. C. D. Wilson Mr. H. K. FitzGerald
„ Davenport & Co. Private Ltd.	{ Mr. G. Carlton Mr. L. N. S. P. Pyke
„ Duncan Brothers Co., Ltd.	Mr. L. T. Carmichael
„ Gillanders Arbuthnot & Co., Ltd.	Mr. D. L. Betts
„ James Finlay & Co., Ltd.	Mr. N. S. Coldwell, M.C.
„ James Warren & Co., Ltd.	Sir Richard Duckworth, Bt.
„ Jardine Henderson Ltd.	{ Mr. I. F. Morriss, O.B.E. Mr. W. F. Hunter Arundell
„ Macneill & Barry Ltd.	Mr. J. Saddler, M.B.E.
„ Octavius Steel & Co., Ltd.	{ Mr. G. Kydd Mr. W. H. G. Baird
„ Shaw Wallace & Co., Ltd.	{ Mr. H. K. Stringfellow Mr. A. C. H. Dolphin
„ Williamson Magor & Co., Ltd.	{ Mr. P. H. Williamson, M.C. Mr. P. B. Nicholls Mr. F. Carman, M.B.E.
„ Andrew Yule & Co., Ltd.	{ Mr. G. F. Oldham Mr. B. Mitter

At the first meeting of the General Committee held on the 11th March, 1958 Mr. L. T. Carmichael of Messrs. Duncan Brothers & Co., Ltd. was elected Chairman of the Association and Mr. N. S. Coldwell of Messrs. James Finlay & Co., Ltd. was elected Vice-Chairman.

Mr. Coldwell resigned his appointment as Vice-Chairman in January, 1959 and Mr. D. L. Betts of Messrs. Gillanders

Arbuthnot & Co., Ltd. was elected Vice-Chairman in his place at a meeting held on the 13th January 1959.

Sub-Committees.— The following Sub-Committees were constituted during the year 1958:—

The Darjeeling and Dooars Sub-Committee.

{ Mr. G. Kydd, <i>Chairman</i>	Mr. P. Fraser-Casey
{ Mr. J. C. Crawford	
{ Mr. G. Carlton	{ Mr. I. F. Morriss, O.B.E.
{ Mr. L. N. S. P. Pyke	{ Mr. W. F. Hunter Arundell
Mr. L. T. Carmichael	{ Mr. G. F. Oldham
	{ Mr. B. Mitter
Mr. N. S. Coldwell, M.C.	Mr. G. A. Whitaker
Mr. A. C. H. Dolphin	{ Mr. P. H. Williamson, M.C.
	{ Mr. P. B. Nicholls

Mr. G. Carlton acted as Chairman of this Sub-Committee during the absence on leave of Mr. G. Kydd from December, 1958

Scientific Department Sub-Committee.

Mr. N. S. Coldwell, M.C.	{ Mr. A. K. J. Henderson
<i>Chairman</i>	{ Sir Richard Duckworth, Bt.
Mr. P. B. Nicholls,	{ Mr. G. Kydd
<i>Vice-Chairman</i>	{ Mr. W. H. G. Baird
Mr. E. H. Adams	{ Mr. G. F. Oldham
	{ Mr. B. Mitter
Mr. D. L. Betts	Mr. J. Saddler, M.B.E.
Mr. A. C. H. Dolphin	{ Mr. C. D. Wilson
	{ Mr. H. K. FitzGerald

Labour Sub-Committee.

Mr. L. T. Carmichael,	Mr. N. S. Coldwell, M.C.
<i>Chairman</i>	Mr. N. P. Goenka
Mr. D. L. Betts	{ Mr. A. K. J. Henderson
	{ Sir Richard Duckworth, Bt.
{ Mr. G. Carlton	
{ Mr. L. N. S. P. Pyke	Mr. J. Saddler, M.B.E.

*Tea Control and Cost of Production Investigation
Sub-Committee.*

Mr. L. T. Carmichael, Chairman	Mr. N. S. Coldwell, M.C.
Mr. D. L. Betts	Sir Richard Duckworth, Bt.
{ Mr. G. Carlton Mr. L. N. S. P. Pyke	Mr. N. P. Goenka

Foodstuffs (Assam and Cachar) Sub-Committee.

Sir Richard Duckworth, Bt. Chairman	{ Mr. P. B. Nicholls Mr. P. H. Williamson
Mr. N. S. Coldwell, M.C.	{ Mr. H. K. Stringfellow Mr. A. C. H. Dolphin
Mr. H. K. Fitzgerald	

Tea Warehousing and Shipping Sub-Committee.

{ Mr. C. D. Wilson, Mr. H. K. Fitzgerald	Sir Richard Duckworth, Bt.
Mr. F. Carman, M.B.E.	{ Mr. E. A. Pitcairn Hon. S. P. Sinha

Finance and Taxation Sub-Committee.

Mr. J. S. F. Gibb, C.A., Chairman	Mr. F. D. Collins, A.C.A.
Mr. S. B. Dutt, C.A.	{ Mr. N. C. Lance, C.A. Mr. R. L. Mellor, C.A.
Mr. D. Fordwood, C.A.	
Mr. A. H. Forster, C.A.	Mr. G. A. McCarthy, C.A.

Supplies, Transport and Freight Rates Sub-Committee.

Sir Richard Duckworth, Bt. Chairman	{ Mr. E. A. Pitcairn Hon. S. P. Sinha
{ Mr. A. E. Barker Mr. A. J. Cameron	{ Mr. Balram Singh Mr. V. K. Chaudhri
{ Mr. G. C. Carlton Mr. L. N. S. P. Pyke	{ Mr. H. K. Stringfellow Mr. A. C. H. Dolphin
Mr. S. K. Mullick	

Sir Richard Duckworth resigned the Chairmanship of the Sub-Committee in July, 1958 and Mr. G. Carlton was appointed Chairman in his place.

Customs and Excise Sub-Committee.

Sir Richard Duckworth, Bt.,	{ Mr. E. A. Pitcairn
Chairman	{ Hon. S. P. Sinha
	{ Mr. A. E. Barker
Mr. N. P. Goenka	{ Mr. A. J. Cameron

In July, 1958 Sir Richard Duckworth resigned his Chairmanship of the Sub-Committee and Mr. E. A. Pitcairn was appointed Chairman in his place. When Mr. Pitcairn went on leave in September the Hon. S. P. Sinha took over the Chairmanship of the Sub-Committee.

Bonus Sub-Committee.

Mr. L. T. Carmichael,	Mr. N. S. Coldwell, M.C.
Chairman	
Mr. D. L. Betts	Mr. J. Saddler, M.B.E.

Decimal Coinage Sub-Committee.

Mr. L. T. Carmichael,	Mr. J. Saddler, M.B.E.
Chairman	
	{ Mr. H. K. Stringfellow
Mr. D. L. Betts	{ Mr. A. C. H. Dolphin

Headquarters Staff.— Throughout the year Mr. J. L. Llewellyn continued to serve as Deputy Chairman of the Association. The Calcutta Adviser Mr. P. Crombie was on leave from April to August and on his return spent three months in Shillong in place of Mr. J. S. Hardman, the Shillong Adviser, who was on leave. Mr. J. E. Atkins served as Additional Adviser and Mr. T. J. Mathias joined the Association as an Adviser in November, 1958.

The Association's secretarial work continued to be performed by the Bengal Chamber of Commerce and Industry.

from whose staff Mr. W. M. Paris, Mr. N. MacArthur and Mr. W. F. Joyce were deputed to attend to the Association's affairs.

Secretarial Staff of the Branch and District Associations.—

Mr. J. R. Wilson, O.B.E., the Deputy Chairman and Secretary of the Assam Branch, retired from the service of the Association in March, 1958 and Mr. P. N. McWilliam was appointed as Branch Secretary in his place. Mr. McWilliam went on leave from May to September, 1958 and during his absence Mr. P. J. Parr, who had been appointed Joint Secretary. Labour, acted as Secretary to the Branch.

Mr. S. B. Datta continued as Secretary of the Surma Valley Branch throughout the year under review.

Brig. F. H. Stevens, Secretary of the Dooars Branch was on leave from July to September, 1958 and Mr. D. B. H. Moore acted in his place during this period.

In Darjeeling Mr. G. R. de la Rue Browne, who had been appointed in May, 1958, acted as Secretary of the Darjeeling Branch from July to November, 1958 when Lt. Col. E.S.E. Rerrie was on leave.

Labour Department.— The Labour Department staff of the Association was strengthened by the appointment of two new officers Mr. G. R. de la Rue Browne and Mr. J. W. Sweetman. The Department, however, lost the services of Mr. P. N. McWilliam who was appointed Secretary to the Assam Branch and Mr. P. J. Parr who resigned and left the services of the Association early in 1959.

In the Assam Branch Mr. D. K. Dutta was on leave during the year.

In the Dooars Branch Mr. R. C. Mazumdar became seriously ill in October, 1958 and was on leave until the end of January, 1959.

In Darjeeling Lt. Col. E. S. E. Rerrie was on leave from July to November, 1958.

The Labour Department staff are at present posted as follows:—

Mr. H. T. Rooke	}	Dikom H. Q.	}	Assam Valley
Mr. J. W. Sweetman				
Mr. R. J. Barkley	}	Zone 1.		
Mr. D. K. Dutta				
Mr. J. R. Gee-Smyth	}	Zone 2		
Mr. K. N. Sircar				
Mr. G. T. Allen	}	Zone 3.		
Mr. G. R. de la Rue Browne				

Mr. S. B. Datta Cachar.

Mr. D. B. H. Moore	Binnaguri	}	Dooars.
Mr. R. C. Mazumdar	Kalchini		
Mr. T. Borooah	Binnaguri		

Lt. Col. E. S. E. Rerrie Darjeeling.

Statistical Department.— The Association's Statistical Department continued to function in 1958 under the direction of Mr. B. A. Yashanoff, B.B.A. The Department has been of great assistance in collecting and analysing statistics relating to the monthly crop estimates, acreage and population figures, housing reports etc. and in providing statistical data in connection with the study of various formulae for the payment of bonus to labour.

The Tea Board.— (a) *The Board.*—During the year under review the Association was represented on the Tea Board by the following gentlemen:—

Mr. L. T. Carmichael
Mr. C. D. Wilson
Mr. H. K. Stringfellow
Mr. J. H. Kilburn, and
Mr. R. M. Vipan.

Mr. Stringfellow resigned his membership of the Board in July, 1958 and Mr. D. L. Betts was appointed to the Board

in his place. Mr. R. M. Vipin submitted his resignation from the Board in October, 1958 and the Government of India have appointed Mr. C. W. Emmett in his place.

(b) *The Executive Committee.*—The Tea Board has an Executive Committee of nine members and the following gentlemen represented the Association on it during the year:—

Mr. L. T. Carmichael

Mr. C. D. Wilson

(c) *Licensing Committee.*—Rule 12 of the Tea Rules 1954 provides for the constitution of two Licensing Committees one for North India and one for South India. The Association's representatives on the North India Committee were Mr. L. T. Carmichael and Mr. C. D. Wilson.

(d) *Tea Research Liaison Committee.*—One of the functions of the Tea Board is to undertake, assist or encourage scientific, technological and economic research and the task of making recommendations for this purpose is allotted to the Board's Tea Research Liaison Committee on which the Association is represented by the following gentlemen:—

Mr. C. D. Wilson

Mr. R. M. Vipin.

Mr. J. E. Atkins, and

The Director, Tocklai Experimental Station

(e) *Ad Hoc Committee on Tea Chests.*—The Association was represented on the Board's *Ad Hoc* Committee on Tea Chests, whose principal function is to rationalise the placing of orders on approved factories and to safeguard the interests of consumers by:—

Mr. H. K. Stringfellow

Mr. D. L. Betts, and

Mr. J. L. Llewellyn

When Mr. Stringfellow resigned in July, 1958 Mr. C. D. Wilson was appointed as a member of this Committee in his place.

(f) *Ad Hoc Building Committee*.—Mr. H. K. Stringfellow represented the Association on this Committee until he resigned in July, 1958 and his place was taken by Mr. D. L. Betts of Messrs. Gillanders Arbuthnot & Co., Ltd.

(g) *Ad Hoc Committee on Tea Promotion*.—The *Ad Hoc* Committee on Tea Promotion was set up by the Tea Board early in 1958 and the Association was represented on the Committee by:

Mr. H. K. Stringfellow, and
Mr. J. L. Llewellyn

When Mr. Stringfellow resigned in July, 1958 his place was taken by Mr. D. L. Betts.

Minimum Wages Advisory Boards and Advisory Committees.—
(a) *Central Advisory Board*.—The Association was represented on the Minimum Wages Central Advisory Board by the Deputy Chairman, Mr. J. L. Llewellyn.

(b) *West Bengal Advisory Board*.—The Association was represented on the West Bengal Minimum Wages Advisory Board by Mr. P. Crombie, the Calcutta Adviser. When Mr. Crombie went on leave during the year his place on the Board was taken by Mr. J. L. Llewellyn.

(c) *Advisory Committee for the Dooars, Terai and Cooch Behar*.—The following gentlemen represented the Association on the West Bengal Minimum Wages Advisory Committee for plantations in the Dooars, Terai and Cooch Behar:—

Mr. D. L. Betts
Mr. N. S. Coldwell, M.C.
Mr. J. L. Llewellyn, and
Mr. K. R. Standing

Mr. Standing resigned his membership of the Committee in August and the Association nominated Mr. G. A. Verinder to take his place. Government however has not yet gazetted Mr. Verinder's name because the Advisory Committee has already submitted its report to Government and further meetings are not anticipated.

(d) *Advisory Committee for Darjeeling*.—The following gentlemen represented the Association on the Minimum Wages Advisory Committee for Hill gardens in Darjeeling:—

Mr. J. L. Llewellyn
Mr. C. W. Emmett, and
Sir Richard Duckworth, Bart.

Indian Standards Institution.— The Association continued its membership of the Indian Standards Institution during 1955 and was represented on the following Committees of the Institution by the gentlemen indicated:—

(a) *Wood Products Sectional Committee*—by Mr. F. Carman and Mr. P. Nicholls both of Messrs. Williamson Magor & Co., Ltd. as principal and alternate representatives respectively.

(b) *Fertiliser and Allied Products Sub-Committee*
(c) *Acid and Fertilizers Sectional Committee* } by Mr. S. M. Samie
and Mr. J. L. Capper both of Messrs. Shaw Wallace & Co., Ltd. as principal and alternate representatives respectively.

(d) *Agricultural and Food Products Division Council*—by Mr. H. Ferguson, Director, Tocklai Experimental Station and Mr. S. Ananda Rao, Chief Scientific Officer of the United Planters Association of Southern India as principal and alternate representatives respectively. Mr. C. D. Wilson also served as the alternate member to the Chairman of the Tea Board on this Council.

Mr. S. K. Dutta, the Senior Agriculturist at Tocklai Experimental Station was nominated, at the invitation of the Tea Board, for co-option to the Council as an expert agriculturist.

Sardar Vallabhbhai Patel Memorial Fund.— Mr. D. L. Bera of Messrs. Gillanders Arbuthnot & Co., Ltd. continued to represent the Association on the West Bengal Pradesh Com-

mittee of the Sardar Vallabhbhai Patel Memorial Fund during the year under review.

Representation of the Association on various Bodies.—The Association was represented on various public bodies during 1958 as follows:—

- (a) The Governing Body of the Endowment Fund of the School of Tropical Medicine by Mr. H. Mackay Tallack.
- (b) The Committee of Control of the Ross Institute of Tropical Hygiene, India Branch by Mr. H. Mackay Tallack.
- (c) The Eastern Regional Committee of the Central British Committee by Mr. P. H. Williamson, M.C.
- (d) The Railway Rates Advisory Committee by Mr. J. Saddler, M.B.E.
- (e) The West Bengal Leprosy Association by Mr. V. K. Chaudhri.

Honours Awarded to Members of the Tea Industry.—The Committee have pleasure in recording the grant of the O.B.E. to Mr. R. M. Vipani, former Chairman of the Surma Valley Branch Indian Tea Association in June, 1958.

Indian Tea Association (London).—As in the past the General Committee corresponded throughout the year with the Indian Tea Association (London) on all matters of common interest and liaison between the two Associations was greatly facilitated by an interchange of visits which made possible discussion of many of the problems which confronted the Industry in 1958.

Sir Percival Griffiths, C.I.E., Adviser to the London Association visited India in May and November, 1958 and took the opportunity during the latter visit of touring the Tea Districts of Cachar. Mr. J. R. Vernede, Chairman of the London Committee, Mr. H. C. Bannerman and Mr. G. W. U. Liddle, members of the London Committee, also visited Calcutta during the year and advantage was taken of their presence to discuss various matters of interest.

In accordance with custom the Chairman and Deputy Chairman paid a visit to London in July 1958 when discussions on a wide range of subjects took place. Mr. H. Ferguson the Director of Tocklai Experimental Station also attended meetings of the London Committee during his leave in the U.K. and was able to advise the London Committee of progress being made at the Station.

United Planters Association of Southern India.—As in the past liaison has been maintained by the Association and the United Planters Association of Southern India by an exchange of views on matters of importance to the Tea Industry. The South Indian Association was represented at meetings of the Consultative Committee of Producer Associations held in January and September, 1958 while a strong contingent from Calcutta consisting of the Chairman, the Additional Adviser, the Chairman of the Assam Branch and Mr. D. L. Betts attended the Annual General Meeting of that Association held in August, 1958.

The Branch and District Associations. —The various Branch and District Planters Associations with whom the Committee correspond on all matters of interests to producers are as follows:—

Membership acreage

Assam Branch Indian Tea Association	...	2,53,236
United Planters Association of Southern India	...	1,47,040
Dooars Branch Indian Tea Association	...	98,583
Indian Tea Planters Association, Jalpaiguri	...	59,042
Surma Valley Branch Indian Tea Association	...	61,758
Bharatiya Cha Parishad	...	54,166
Assam Tea Planters Association	...	42,007
Darjeeling Branch Indian Tea Association	...	40,409
Surma Valley Indian Tea Planters Association	...	16,893
Terai Planters Association	...	12,364
Tripura Tea Association	...	10,846
Kangra Valley Tea Planters Association	...	9,500
Terai Indian Tea Planters Association	...	6,850
Dehra Dun Tea Planters Association	...	4,653
India Tea Growers Association		

Consultative Committee of Tea Producer Associations. The Consultative Committee of Tea Producer Associations continued to hold meetings throughout the year at approximately monthly intervals to discuss the various problems facing the Industry and these meetings provided a useful forum for an exchange of views by the different interests involved. Eleven meetings were held in 1958 and the more important items which figured on the Agendas were Relief for Common Teas, International Tea Agreement, Labour bonus, Export Duty, Workers Participation in Management, Employees Provident Fund, Code of Discipline and Crop Regulation.

A delegation consisting of Mr. L. T. Carmichael and Mr. J. L. Llewellyn representing the Association, Mr. B. C. Ghose representing the Indian Tea Planters Association, Mr. B. P. Bajoria representing the Tea Association of India and Mr. W. Wilson Mayne and Mr. Subramanian representing the United Planters Association of Southern India visited New Delhi on the 11th August, 1958 to discuss with the Government of India measures for relief to the Tea Industry. Another delegation consisting of Mr. L. T. Carmichael, Mr. J. L. Llewellyn, Mr. B. C. Ghose and Mr. M. M. Varghese, President of the United Planters Association of Southern India, visited Ceylon from the 6th to 10th October, 1958 to discuss with the Ceylon Tea Producers the possibility of renewing the International Tea Agreement.

These two subjects and the question of the supply of fertilisers to the Tea Industry were discussed with Mr. S. Ranganathan, Secretary and Mr. C. S. Ramachandran, Joint Secretary to the Government of India by Mr. L. T. Carmichael, Mr. B. C. Ghose, Mr. N. K. Dutta of the Assam Tea Planters Association and Mr. H. C. Kothari of the United Planters Association when these gentlemen were in New Delhi for a meeting of the Tea Board on the 29th October, 1958.

Terai Planters Association.— As members in the Terai do not have the benefit of the services of a Labour Officer the Association has since 1950 made a grant, subject to annual review, of Rs. 4,000/- a year to the Terai Planters Association. This grant was also paid for 1958.

In addition the Association made a grant of Rs. 15,000/- towards the construction of a bungalow and office for the Secretary of the Terai Planters Association.

International Tea Agreement. The renewal of the International Tea Agreement became a matter of increasing concern to the Industry during the year and the subject was discussed on many occasions by the Consultative Committee of Tea Producer Associations.

Despite the efforts made by Government and leaders of the Industry during the several years which have elapsed since the Agreement expired, no acceptable formula could hitherto be devised for its renewal and the Association considered that the only profitable line of approach which remained was for producers in India and Ceylon to meet informally to discuss the question, to assess the difficulties and the advantages, and to decide whether a recommendation could be made to their respective Governments which would be acceptable to them and to producers generally. The Chairman of the Association accordingly addressed the President of the United Planters Association of Southern India in May suggesting that a delegation might visit Ceylon for the purpose. The South Indian Association, while admitting the value of securing the renewal of the International Tea Agreement, did not at first favour a visit to Ceylon because it seemed to them that producers in that country would not be in favour of an Agreement as it was unlikely to be of direct advantage to them in present circumstances. Unofficial enquiries made by the Association had revealed however that producers in Ceylon were concerned over the future of their Industry and that some sections at least were in favour of renewing the International Tea Agreement. An official approach was accordingly made to the Tea Planters' Association of Ceylon asking whether they would be willing to discuss this matter with representatives of the Tea Industry in India, who would visit Colombo during the second half of September, 1958. The proposed visit was welcomed by the Planters Association of Ceylon and a delegation consisting of Mr. L. T. Carmichael, Mr. J. L. Llewellyn, Mr. B. C. Ghose and Mr. M. M. Varghese accordingly left for Colombo on the 6th October, 1958. The discussions which took place on the

8th, 9th and 10th October, were held in a very cordial atmosphere. The representatives examined a draft of the International Tea Agreement, which had been prepared by the International Tea Committee, and came to the following conclusions:—

- (a) It was desirable to renew the International Tea Agreement.
- (b) The renewal of Agreement would not imply that regulation of exports would follow automatically.
- (c) The machinery for regulation should exist so that steps could be taken to introduce it should it be regarded as essential to the well-being of the industry at a later date.
- (d) India, Ceylon, Pakistan and Indonesia should again be signatories to the Agreement but every endeavour should be made to persuade other tea producing countries to join.
- (e) The Agreement should be renewed as from the 1st April, 1955 to the 31st March, 1960.
- (f) Standard exports should be calculated on the best exports in any one of the 3 years preceding the date of renewal of the Agreement but if regulation was unanimously agreed upon, the basis of regulation would be the best exports in any one of the 3 years preceding the year of regulation.
- (g) No provisions would be made for control over acreage, replacements and/or replanting, this being left to the Governments of the signatory countries.
- (h) These proposals would be considered by the Producer Associations in India and Ceylon and if acceptable would be sent to the respective Governments for consideration.

A report on the deliberations of the delegation has been forwarded to the Government of India and the Producer Associations are now considering the draft International Tea Agree-

ment prepared by the International Tea Committee, with a view to its submission to the Government of India if and when developments in Ceylon warrant such action.

Tea Control in India.— (a) *The Tea Act.*—Control over the planting of tea in India and over its export from this country is exercised by the Government of India through the medium of the Tea Act, 1953.

(b) *The Licensing Committee.*—The provisions of the Tea Act in so far as they relate to tea control are enforced by the Tea Board acting through the medium of two Licensing Committees, one for North India and the other for South India. The Association's representatives on the North India Committee are Mr. C. D. Wilson of Messrs. Balmer Lawrie & Co., Ltd. and Mr. L. T. Carmichael of Messrs. Duncan Brothers & Co., Ltd.

(c) *Export quota allotment.* On the 1st May 1958 the Tea Board announced that the Government of India had authorised an interim release of export quota for 1958/59 equivalent to 50% of the crop basis of estates.

Last year the Government of India had been rather dilatory in announcing releases of export quota with the result that several shippers had had to purchase export quota during the year to cover their shipments but were left with large surpluses when the final releases were announced. The Association, fearing that a similar procedure might be followed in 1958, accordingly addressed the Chairman of the Tea Board in June, pointing out the financial losses suffered by shippers in the previous year and asking that the final releases of quota should be announced well before the end of the calendar year.

The force of the Association's case was accepted by the Tea Board and further releases of export quota of 10% and 5% of the crop basis of estates were announced on the 14th June, 1958 and on the 24th September, 1958 respectively.

In February, 1959 the Government of India fixed the export quota allotment for the year 1958/59 at 494.50 million lbs. which is equivalent to 67% of the crop basis of estates.

(d) *Extension of the validity of the 1957/58 Special Export Licences.*—On the 24th May, 1958 the Tea Board announced that the Government of India had decided to extend the period of validity of the 1957/58 special export licences upto the 30th June, 1958.

This extension was granted without consultation with the Association or the Trade in Calcutta and being unexpected caused inconvenience and unnecessary loss to tea estates which sold their quota at low prices on the assumption that its validity would expire at the end of May as usual. This aspect of the matter was brought to the attention of the Tea Board and it is hoped that Government will in future announce its intentions regarding the period of validity of special export licences sufficiently in advance of the date of expiry of the licences.

(e) *Export of dust tea without quota.*—In last year's report it was recorded that the Government of India had permitted the export of dust teas under licences which were not required to be covered by export quota rights and that such exports would be allowed upto the 31st March, 1958.

By notifications dated the 31st March, 1958 and 1st October, 1958 the Government of India extended the time limits for such exports and at present licences for the export of dust teas, which will remain valid up to the 31st May, 1959, may be applied for up to the 31st March, 1959.

(f) *Export of Tea Seed from India.*—As is customary, the Tea Board asked all Producer Associations in May, 1958 to submit details of the amount of tea seed likely to be produced by their members during the year and also the amounts likely to be required by them for replacements and new plantings. The returns submitted by tea estates indicated that their requirements of tea seed would exceed their production and in September the Tea Board advised that the Government of India had decided that no tea seed should be allowed to be exported from India during the financial year 1958-59.

The Tea Act 1953.—(a) *The Act.*—No amendments to the Act were made during the year under review.

(b) *The Rules under the Act.*—During the year under review several amendments were made to the Tea Rules, 1954 and these involved Rules 5, 6, 9, 12, 14A, 15, 30 and 30A. Copies of the notifications issued are reproduced in the appendix.

The most important of the changes related to rules 30 and 30A which deal with tea extensions. Previously the Tea Board had only to obtain Central Government permission when a permit for extensions was issued to an estate with an acreage of over 500 acres. Under the amended rules such permission has also to be obtained in cases where the permit, whether issued to the estate direct or acquired by transfer, would have the effect of increasing the estate's acreage over 500 acres.

(c) *Tea Cess.*—On the 1st June, 1958 the Government of India issued a notification reducing the rate of Tea Cess on tea exported from India from Rs. 4/- to Rs. 2/- per hundred pounds or part thereof.

The Marketing of the 1958 Crop.—(a) *Crop.*—On the basis of the monthly crop returns submitted by Agency Houses the 1958 tea crop in North East India has been estimated by the Association's Statistical Department at 551,070, 155 lbs. as compared with the revised estimate of 528,357,884 lbs. for 1957 which indicates an increase in production of 4.3%.

(b) *Export Quota Allotment.*—On the 1st May the Government of India authorised an interim release of export quota for the 1958/59 season equivalent to 50% of the crop basis of estates. On an estimated crop basis of 738.06 million lbs., this release was equivalent to 369.03 million lbs.

In June the Government of India released a further 10% of the crop basis making the total release 442.84 million lbs. In September there was a further release of 5% of the crop basis equivalent to 36.90 million lbs. This increased the quantity issued to 479.74 million lbs.

In February, 1959 the Government of India fixed the export quota allotment for the year 1958/59 at 494.50 million pounds which is equivalent to 67% of the crop basis of estates.

(c) *Calcutta*.—The crop for 1957 was smaller than that harvested in 1956 and shipments also showed a marked decline. Export sales finished in the last week of April.

Two sales of first flush season 1958/59 Darjeeling teas were held in May. There was a good market.

There was only one export sale in June and demand was better than is often the case in the first sale of the season.

In July buyers for Russia were particularly active while rates were generally very satisfactory. Later in the month there was a considerable decline in prices which continued into August, when only clean commons remained steady.

Prices weakened in September in spite of a change in Export duty advantageous to exporters.

The activity of Egyptian buyers ensured a better market for commons in October, while the Russian order helped to boost up Assam BOPs and OFs of orthodox manufacture. CTC Assam which had experienced relatively poor prices to date continued to depreciate in value.

Darjeeling teas and the better Assam orthodox BOPs enjoyed some attention early in November, but shared in the general decline later in the month, as did whole leaf teas.

Tippy teas sold relatively well in December while clean black types were much in demand during the latter part of the month. CTC teas and whole leaf grades came to a slightly better market. The market strengthened further at the end of the month. The renewal of the Egyptian market was largely responsible for the new strength in the market after Christmas and, as the quantity of tea involved was believed to be in the region of 10 million lbs., it was expected that clean black fannings would hold their own over the balance of the season. At the same time buyers grew more aware of the size of shipments to London and prices rose accordingly in January for the types most in demand.

(d) *Internal Catalogue*.—Sales of leaf teas in the internal market totalled 35,215 chests up to the end of December.

Owing to the poor quality of offerings and the small size of internal leaf sales, internal buyers obtained most of the requirements in the Export catalogues.

(e) *Dust Grades*.—Middle East orders were largely responsible for the useful level of prices obtained for dusts throughout the year. Black exportable types were the strongest feature until July when CTC teas and Darjeelings attracted more attention.

August saw a better market for all save Darjeelings, but in the latter part of the month less interest was shown. Black and Legg cut teas improved in September but CTC teas dropped in value.

There was a general decline in prices in October but a better market was experienced during the first part of November. Towards the end of the month rates again eased and continued to do so throughout December. In the New Year, however, there was a substantial rise in prices, particularly for black dusts, owing to demand from the Middle East.

(f) *Quality*.—First flush Darjeelings were of useful quality but generally speaking this season's crop, largely due to adverse weather conditions during the early part of the year, has been of a poor standard of liquor. Second flush teas were in the main disappointing, while Autumnal quality was late in manifesting itself and too short lived. CTC teas sold in Calcutta have been particularly poor as regards liquors, a fact reflected in the prices obtained.

Leaf appearance has, on the whole, been good and, with the exception of the high percentage of poor residual CTC types, very clean during the season just ended.

Auction Procedure : Charging of Excise Duty on brokers bills.—Since the imposition of Excise Duty on Tea in 1944 it has been the custom of the Trade that broker's bills to buyers include the excise duty paid by the garden on the tea sold. The excise duty so collected is refunded to the seller by the broker.

With the introduction in Parliament on the 28th September, 1958 of the Tea (Alteration in Duties of Customs and Excise) Act, 1958, to which detailed reference is made elsewhere in this report, three different rates of excise duty were imposed and no adjustment of the excise duty was allowed by the Customs Authorities against the export duty payable on teas under export as had hitherto been the practice.

As no adjustment of the excise duty was to be allowed against the export duty in the case of exported teas some buyers felt that the practice of refunding the excise duty to sellers should be abandoned. Other buyers felt that the auction procedure should be altered so that bids should be treated as being inclusive of excise duty, as otherwise they would have great difficulty in dealing with tea on which three different rates of duty had been imposed.

The Association was naturally opposed to any change in the existing auction procedure being made because the reductions in the excise and export duties granted by Government were intended as measures of relief to tea producers and the alterations suggested by the buyers might deprive them of these benefits. Nevertheless, in view of the strong feeling of the buyers in this matter the Association, at the instance of the Calcutta Tea Traders Association, agreed that the system of gross bids should be adopted for a trial period and that a close watch on the market position should be maintained to see its effects. Accordingly, the new system came into force from Sale No. 19 held on the 11th November, 1958.

Tea (Distribution and Export) Control Order, 1957.—The Tea (Distribution and Export) Control Order, 1957, which had been issued by the Government of India on the 25th November, 1957, was made, applicable by a notification dated the 10th February, 1958 to tea exporters with effect from the 1st April 1958.

In clarification of the Order a Circular Letter was issued by the Tea Board in March, 1958. It was not clear from this whether a licence was required to be taken out by tea growers

in respect of teas exported to the United Kingdom under private contract, although it was specifically stated that teas exported abroad for auction were exempted. The Tea Board, which is the Licensing Authority under the Order, was accordingly approached for clarification and confirmed that tea growers exporting teas against private contracts would have to take out licences.

On the 1st April, 1958 the Ministry of Commerce and Industry issued a notification directing that every container of tea for export should be marked on the top and bottom panels with the exporter's licence number, the gross and nett weights and the Port of Destination. It was also directed that certain records should be kept and that monthly returns should be made to the Licensing Authority. The notification gave rise to certain problems which were discussed on the 2nd May, 1958 with the Tea Board (the Licensing Authority). As a result of these discussions modifications were approved in the procedures to be adopted: chests would be stamped with the prescribed marks on one panel only, the forms to be submitted were revised, and it was agreed that exporters might apply to the Licensing Authority to be exempted from maintaining their records in the prescribed forms in cases where it could be shown that their existing records contained all the required details in such a manner as could readily be inspected in case of need.

Quality of Indian Tea.— Throughout the year the Association kept reminding members that, to meet the difficulties resulting from the constant threat of world supply outstripping demand, it was essential to concentrate on the production of quality rather than quantity. To this end members were urged to give effect to the following recommendations made by the Consultative Committee of Tea Producer Associations:—

- (1) Producers should maintain a good standard of plucking and, even if the crop had fallen behind that of previous years, no attempt should be made to make good the shortfall at the expense of quality.
- (2) Particular care should be exercised in every phase of manufacture.

- (3) All tea waste should be destroyed and producers should abide strictly by the convention not to market teas which would not be passed by brokers as fit for sale in the Calcutta auctions.

As far as Tea Waste is concerned members of course had been following the Association's recommendation that it should be destroyed at the gardens and the only sales made by them were restricted to those authorised by the Association at the request of the Tea Board to manufacturers of caffeine in India. In the matter of residue teas, however, the position was more unsatisfactory. Many tea gardens dispose of residue grades of tea ex-factory and this trade has become so prevalent that the Association is gravely concerned at the threat it presents to the well-being of the industry. The grades of tea sold ex-factory are only too often substandard teas whose sale should not be permitted and the numerous approaches received by tea gardens from interested parties indicate that the trade is a flourishing one. Substantial quantities of substandard teas reaching the market can only have the effect of depressing the price levels of standard grades of common tea and are the source of much illicit adulteration of tea. The Association has, therefore, suggested to the Consultative Committee of Tea Producer Associations that more effective steps should be taken to prevent the sale of substandard teas ex-factory, if necessary by legislation. The views of the other Associations represented on the Consultative Committee are now awaited.

Relief for the Tea Industry.— Following the comparatively depressed prices, particularly for common teas, which prevailed during 1957 and the consequent poor working results shown by many companies for that year, and in the face of a continuance of this situation and of further depression during 1958, one of the Association's major concerns throughout the year was the question of obtaining financial relief for the Industry. The subject was considered in consultation with other producer associations at the beginning of 1958 and, on its becoming evident that the only prospect of appreciable relief being obtained lay in a substantial reduction in the burden of taxation imposed on the Industry, it was agreed that the Industry should place

before the Government of India a memorandum setting forth its case for relief. A draft was accordingly prepared by the Association's Deputy Chairman and, after prolonged discussion, and after informal consultation with Government prior to its formal submission, it was eventually presented to Government by a delegation which visited New Delhi towards the end of April.

The Industry's memorandum is reproduced in the appendices to this Report. It surveyed the general situation of the Indian Tea Industry, the circumstances which had produced its present difficulties, and the possible means by which those difficulties could be alleviated, and it came to the conclusion that only a thorough-going reduction of the tax burden would meet the Industry's needs. More specifically, the proposals which the memorandum submitted were that the Excise Duty on tea should be reduced from 6.25 nP. to 1 nP. per lb., that the Assam Carriage Tax and the West Bengal Entry Tax should be abolished, that the collection of Tea Cess should cease until the credit balance in the tea fund was reduced to one quarter of its present size, and that Export Duty should be abolished or should at least be reduced by 10 nP. per lb. Following the submission of the memorandum, the subject was discussed on repeated occasions with the Tea Board and with senior representatives of the Government of India. Government's reaction however, though sympathetic, was not immediately helpful. They explained that under present circumstances they could not surrender badly needed revenue except in the face of dire necessity and that, although they would do their best to help common tea producers, who constituted the most seriously depressed section of the Industry, they could not contemplate granting tax reliefs to companies which were already earning profits and thus enabling them to earn even larger profits. Against this the Industry's representatives objected to any form of discrimination among companies and pointed out the difficulties of making distinctions such as those proposed by Government, and they further argued that even if some companies were able to increase their profits as a result of tax concessions Government would nevertheless be reimbursed by increased revenue from income and company taxation on the earnings

of these companies. The general case however remained unacceptable to Government, who asked that the Industry should reconsider the matter and endeavour to evolve a scheme which would distinguish between those who were sufficiently prosperous and those who were in financial difficulties and genuinely needed relief, and which would ensure that the relief proposed would benefit only the latter.

After considerable further discussion a scheme was evolved which it was thought would meet Government's objects, and a copy is reproduced in the appendices to this Report. Briefly, this scheme proposed that the prosperity of the various tea growing districts should be assessed on the basis of their respective average crop yields and the average prices obtained by their teas in the Calcutta auctions; that Excise Duty should be levied at varying rates adjusted to these indices of prosperity; that at the time of export excise would be refundable at a standard rate, even though this might be higher than the actual amounts paid by certain of the more depressed districts, and that the Export Duty should be reduced and a modified sliding scale introduced on the basis of auction prices. This scheme was presented to Government by a further delegation which visited New Delhi during the latter part of May.

Unfortunately Government found it impossible to take an early decision on the Industry's revised proposals and, as considerable delay had already been experienced, a small measure of interim relief was announced on the 31st May, effective from the 1st June. This relief took the form of a reduction in the Tea Cess on exported teas from Rs. 4 to Rs. 2 per 100 lbs., and a reduction in the Excise Duty from 6.25 nP. to 3.125 nP. per lb.; and Government stated that the relief was only interim and that further concessions could be expected when they had studied the problem at greater length.

The interim relief granted was comparatively small, and during the ensuing months the Industry continued to press Government—by correspondence, by visits to Delhi, and by discussions with Government representatives when they visited Calcutta—for a final decision and for the grant of more substantial concessions. Eventually, the Government announced

their final decision on 28th September and gave effect to their intentions by introducing in the Lok Sabha the Tea (Alterations in duties of Customs and Excise) Bill 1958 and by issuing appropriate notifications to implement the provisions of this Bill. The Bill empowered Government to levy Excise Duty on tea, other than package tea, at a rate not exceeding 19 nP. per lb., and on package tea at a rate of 21 nP. per lb. plus the duty paid at the garden; and simultaneously a notification divided the tea growing districts into three different zones for which the rates of duty were fixed as follows:—

Zone 1	...	...	2 nP. a lb.
Zone 2	...	...	4 nP. a lb.
Zone 3	...	...	10 nP. a lb.

The areas in North East India covered by the Zones are as follows:—

Zone I	...	Districts of Goalpara and Cachar in Assam State; Centrally administered territory of Tripura; Siliguri sub-division of the Darjeeling district and the district of West Dinajpur and other districts in West Bengal excluding the district of Jalpaiguri and other sub-divisions of Darjeeling district;
Zone II	...	Districts of Nowgong and Kamrup in Assam State; District of Jalpaiguri in West Bengal;
Zone III	...	Districts of Darrang, Lakhimpur and Sibsagar in Assam State; The Sadar, Kurseong and Kalimpong sub-divisions of the Darjeeling District in West Bengal;

A further notification cancelled the rebates of Excise Duty against Export Duty which had hitherto been granted in respect of teas exported and limited the concession to the additional 21 nP. Excise Duty paid on package tea. Finally, the rate of Export Duty was reduced to 26 nP. per lb.

It was calculated that the total effect of these concessions would be a surrender of revenue amounting to about Rs. 3/- crores out of a total income of over Rs. 20/- crores arising from the direct taxation of tea. On the whole, the Industry, though grateful for the relief, was disappointed at its extent and was not entirely satisfied with the form it took. In the first place, the grievous transit taxes imposed by the State Governments remained unaltered. Secondly, the definition of excise zones had been based on average auction prices only and took no account of yield, with the result that the struggling Darjeeling district, which obtained comparatively high prices for its teas but had a very low output and consequently high costs of production, found itself in the highest excise zone which paid duty at the rate of 10 nP. per lb. Thirdly, the abandonment of the practice of refunding Excise Duty at the time of export seriously limited the value of the concessions, and in fact produced great difficulty in the conduct of auctions. Finally, the overall effect of the revised taxation structure was to increase the amount of tax which had to be paid by producers prior to the sale of their teas and thus to create new difficulties in the financing of their operations.

As stated, the abandonment of excise refunds resulted in difficulty in the conduct of the Calcutta auctions. Hitherto, it had been the practice for buyers to reimburse sellers for the amount of Excise paid at the garden, but buyers' representatives now objected that they would have great difficulty in bidding for teas on which refunds at three different rates would be payable, that they would be able only to bid on a gross basis which was inclusive of Excise Duty, and that the practice of refunding Excise at the time of sale would therefore have to be abandoned. The Association was most reluctant to accept these suggestions and to give up the practice of buyers reimbursing sellers for their Excise payments but, in the face of the strong objections raised by the trade and in order to permit of

the smooth working of the auctions, it eventually had no option but to agree to the buyers' proposals for an experimental period. As a result, there was considerable doubt whether producers did in fact receive the entire benefit of the concessions granted by Government.

As stated, the Industry as a whole was disappointed in the concessions granted by Government, and subsequent events have shown that it is doubtful if this relief has in fact appreciably improved the producers' lot. At the time of writing therefore, the Industry is contemplating further approaches to Government for additional concessions, and special representations are also being prepared on behalf of Cachar and Darjeeling, these two districts, and particularly the former, being very seriously depressed at the present time.

Artisans Trade Tests Committees.— The High Court in a case regarding artisans in Cachar held that the various notifications appointing Trade Test Committees were ultra vires the Minimum Wages Act. Since trade tests had been evolved by a Committee in which the I.N.T.U.C. had co-operated and the Regional Committees had been operating satisfactorily, the Association suggested that the legal objection could be overcome by taking the view that, since the Minimum Wages Act could enable Government to specify a class, artisans could be defined in such a way that they could be regarded as constituting a class in the same manner as matriculates or graduates. After discussion it was eventually decided by the Government of Assam to set up a Committee "to examine anomalies in the payment of minimum wages to artisans". The Association nominated Mr. S. Matthew, Chief Engineer, Assam Frontier Tea Co., Ltd., as their representative on the Assam Committee and the Chairman of the Surma Valley Branch Indian Tea Association as their representative on the Cachar Committee.

Artisans : Tools for Carpenters.— It was agreed during the year that carpenters taken on from outside on permanent engagement should be supplied with tools on the scale at which they are issued to resident carpenters. These tools should be deposited in the factory-godown on completion of duty each day and not removed from there.

Clerical & Medical Staff Dearness Allowance in Assam. —

Early in the year the I.N.T.U.C. renewed its demand for an increase in the rates of Dearness allowance paid to the clerical and medical staff in Assam, which had been fixed in 1954 as follows:—

On the first Rs. 100/- of basic salary	...	30%
On the remainder of the basic salary	...	15%

On a preliminary consideration of the demand it appeared to the Association that there were strong objections to the grant of any increase because:

(i) Any increase in dearness allowance to the staff in Assam would give rise to claims for increases elsewhere both among the general labour in the Assam Valley and among the clerical staff and general labour in other districts.

(ii) In the context of the Industry's difficult economic circumstances an increase in pay to the staff could not be justified, and indeed it would look strange if, at a time when the Industry was strongly pressing the Government of India for tax reliefs, the Association granted an increase in dearness allowance. The Association accordingly advised the Assam Branch that it was unable to recommend any increase in the rate of staff dearness allowance.

Under strong pressure from the I.N.T.U.C., however, the Association agreed to negotiations with the Union being re-opened. At the discussions which followed the Branch made an offer to the effect that in Zones I and II dearness allowance should be increased to 36% on the first Rs. 100/- of basic salary and 18% on the remainder; that in Zone III it be increased to 35% on the first Rs. 100/- and 18% on the remainder and that the price at which rice is sold to members of the staff should be increased to bring it into line with the prices charged to labour, *i.e.* to Rs. 20/- per maund in Zones I and II and Rs. 17.50 in Zone III.

This offer was rejected as inadequate by the Union, which put forward the counter proposal that the selling price of rice should remain unchanged and that the rate of Dearness allowance

on the first Rs. 100/- of basic salary should be increased by 50% and on the remainder of basic salary by 25%. As this proposal was not acceptable to the Association the Union was advised that no increase in the dearness allowance could be granted as the offer which had been made represented the ultimate extent to which the Association was prepared to go. The subject, however, was included in the Agenda for the meeting of the Assam Standing Labour Committee which was held on the 10th September, 1958. At this meeting the Union representatives asked for an increase of 20% on the first Rs. 100/- of basic salary and 10% on the remainder but after some discussion they agreed to consider a compromise proposal made by the Labour Secretary of the Government of Assam that, for at least the first Rs. 100/- of salary, the dearness allowance should be raised by:—

75% of 60% of the average rise over the base line in the cost of living, over say the six months previous to each review, according to the Assam Government's published Index figures for clerical staff and artisans in tea estates in Assam, and that thereafter it should rise or fall every six months in accordance with the formula.

This proposal was examined statistically by a Special Sub-Committee of the Assam Standing Labour Committee but was rejected by both the Association and the Union, which then reduced its demand to an increase of 10% on the first Rs. 100/- of salary and 5% on the remainder. The Association, however, reiterated its inability to improve its previous offer and a deadlock ensued. Later it was learnt that the INTUC was prepared to modify its stand and would accept an all-round increase of 6% in the D.A. subject to a minimum of Rs. 8/-, the increase to be effective from September, 1958. While the Association was awaiting written confirmation of this proposal the I.N.T.U.C. gave notice of its intention to hold a Protest Day on the 17th November. In the meantime the situation was reviewed and it was agreed that, in an effort to reach a settlement, the following further offer should be made to the Union:—

- (a) Dearness Allowance to be increased by the equivalent of 6% of basic pay, with minima of Rs. 8/- for

Clerical and Medical Staff and Rs. 6.50 for Artisans, these minima representing 10% of the starting salaries in both categories.

(b) The increase to be effective from the 1st September, 1958.

(c) The Union to agree to there being no further increase in Dearness Allowance unless and until the Official Cost of Living Index remained continuously over 115 points for six months and the Association similarly to agree to there being no decrease in D.A. unless and until the Cost of Living Index remained under 103 points continuously for six months.

This offer was also rejected by the Union, which proceeded to hold its Protest Day when meetings and processions were widely held and resolutions passed deprecating the Association's refusal to accept the Union's demands.

Towards the end of the year the Association modified its proposals and agreed to an increase in dearness allowance of 6% of each employee's (staff or artisan) basic pay subject to a minimum increase of *either* Rs. 8/- *or* 10% of basic pay, whichever was *less*, the other conditions remaining the same. The Union's reactions to this formula are now awaited.

Leave for Clerical & Medical Staff in Assam.— For sometime there had been a demand from the Clerical and Medical Staff for additional leave to cover the time spent on travelling by those members of the staff whose homes were outside Assam and the Association in consultation with the Branches finally agreed that such staff might receive in addition to their leave the benefit of actual travelling time up to four days for each leave taken. The concession would be non-cumulative and would apply only to journeys outside Assam. Members were advised of the position in Circular Letter No. 23 of the 21st February, 1958.

Plantations Labour Act : Staff Leave.— During the year it was agreed that in granting 15 days annual leave with wages in accordance with the terms of I.T.A. Circular Letter No. 141

of 1954, members should include Sundays in the leave entitlement, as the "weekly day of rest" is not a recognised garden holiday (by which is meant "Festival holiday").

Clerical Staff Housing.— At a meeting of the Housing Advisory Board held at Shillong in December workers' representatives put forward the suggestion that Government should prescribe minimum standards for staff houses to be provided under the Assam Plantation Labour Rules. The Association was asked by the Chief Inspector of Plantations to furnish suggestions along with a ground plan for such houses.

Clerical Staff Bonus in Cachar.— In last year's report it was recorded that the Government of Assam had referred the dispute in Cachar over the payment of bonus to the clerical staff for the years 1953 and 1954 to an Industrial Tribunal but that no developments had taken place up to the end of the year. During 1958, however, efforts were made by the Surma Valley Branch to reach a compromise solution which the Tribunal could ratify. The Branch initially proposed that bonus should be paid at the rate of 1% of the Company's profits, subject to a minimum of 1 month's basic salary in the case of those companies which had been paying bonus at this rate in the past. It was suggested that if this rate was acceptable the sum due for the 3 years 1953 to 1956 should be paid in six equal half yearly instalments over the next three years. On the 29th April, 1958 the Tribunal issued a notice calling on the 103 gardens concerned in the dispute to file their written statements by the 29th May, 1958. In view of the negotiations for a compromise taking place, both the Union and the Surma Valley Branch on behalf of the gardens applied to the Tribunal for an extension of time for the submission of the written statements. This was granted. Unfortunately, however, the Union was unwilling to accept the Branch proposal and insisted that a minimum bonus of one month's salary should be paid by all irrespective of whether the Companies had made a profit or a loss. In the circumstances, it was agreed that the Companies would have no alternative but to allow the dispute to proceed and to file their written statements, for which the Tribunal had allowed time up to the 30th August, 1958.

This decision did not however lead to the abandonment of negotiations with the Union and several discussions were held and correspondence was exchanged with the Union leaders in an endeavour to reach a bonus agreement which would cover the 8 years from 1953 to 1961. The negotiations, however, proved inconclusive because the Union insisted on the payment of bonus irrespective of whether a company made a profit or a loss and the position was further complicated by a fresh suggestion from the Union that bonus should be paid at the rate of 6 or 7 months basic salary for every two years.

The proceedings before the Tribunal have in the circumstances been allowed to take their course but no hearings have taken place as yet.

Labour Bonus.— The year 1956 was the last year covered by the Delhi Agreement on labour bonus, and bonus in respect of that year became payable during 1958. Although the 1956 working results of all companies had become known by the beginning of 1958 however, considerable delay took place in the calculation of the precise amounts of bonus payable, for under the terms of the Delhi Agreement the Unions had the right of examining the published accounts of the "area prosperity" companies on whose working results the bonus was based, and their examination resulted in a certain amount of controversy. To meet this situation a Special Sub-Committee was appointed under the Chairmanship of the Regional Labour Commissioner and eventually, after numerous meetings, it arrived at agreement on the amounts which would be payable. The amounts of bonus for the year 1956 which were thus eventually agreed on in respect of the various zones and districts were as follows:—

Assam Valley	Zone I	Rs. 75.00
	Zone II	Rs. 72.00
	Zone III	Rs. 57.00
Cachar		Rs. 5.00 (nett)
Darjeeling		Rs. 22.00
Terai		Rs. 25.00
Dooars		Rs. 50.00

The conditions governing the payment of the 1956 bonus were the same as in previous years but, in the case of the Assam Valley, it was agreed that only two-thirds of the bonus would be paid in cash, the balance one-third being credited to the Provident Fund accounts of the workers concerned. As regards the date of payment, the Delhi Agreement provided that the bonus for 1956 should be paid within 12 months of the bonus for 1955, and in the case of all districts except the Dooars and Terai this meant that payment had to be—and was in fact—completed by the end of June, 1958. In the Dooars and Terai, many companies were faced with serious financial difficulties which prevented the immediate payment of the full amount of bonus and necessitated instalments spread over a longer period. In these two districts therefore, it was agreed that estates involved in financial difficulties could pay bonus in two equal instalments, the first to be paid by 31st May and second by 30th September. Where estates in the Dooars and Terai took advantage of this provision they had to be prepared to place before their respective Unions, if the latter requested it, evidence as to their financial difficulties.

As stated, the Delhi Agreement on labour bonus extended only upto the year 1956. In view of the lack of arrangements for subsequent years, the Government of India, in June, 1958, announced the formation of a Special Bonus Sub-Committee which would consider the question of bonus payments by the Tea Industry in Assam, West Bengal and Tripura for the years from 1957 onwards. The Sub-Committee had as its Chairman the Regional Labour Commissioner, Calcutta, and on the employers' side it comprised representatives of the Indian Tea Association, the Indian Tea Planters' Association, the Tripura Tea Association and the Assam Tea Planters Association, labour representatives being drawn from the I.N.T.U.C. (2 seats) and the Hind Mazdoor Sabha and All-India Trade Union Congress (1 seat each). The Association nominated its Chairman, Mr. L. T. Carmichael as its representative on the Sub-Committee. Although the formation of the Sub-Committee was announced in June, it did not in fact hold its first meeting until November, and only two meetings were held before the end of the year. Discussions at those meetings

proved completely infructuous. Labour representatives demanded that the Industry should pay a guaranteed minimum bonus, irrespective of whether companies made a profit or a loss, and this demand was totally unacceptable to employers. In the meantime however, the employers, acting through the medium of the Consultative Committee of Producer Associations, consulted together with a view to devising a practical and equitable formula and by the end of the year a broad measure of agreement had been reached among the employers' representatives. At the time of writing, the Employers' counter-proposals have been reduced to writing and forwarded to the Regional Labour Commissioner, and negotiations with labour are shortly to be resumed at a further meeting of the Bonus Sub-Committee.

Assam Tea Plantations Provident Fund Scheme.—The Assam Tea Plantations Provident Fund Scheme Act 1955 was amended by the Assam Tea Plantations Provident Fund Scheme (Amendment) Act, 1958 which was published in the Assam Gazette Extraordinary of the 18th June, 1958 and came into force on the 1st July, 1958.

The main effects of the Amendment Act were:—

- (a) The Provident Fund Scheme was made applicable to all adult employees including non-resident workers and apprentices drawing wages not exceeding Rs. 500/- per month who had been employed on the plantation for not less than six months. Although it was Government's intention that the scheme should also apply to adolescents and children the scheme could not be extended to them owing to a drafting error.
- (b) The definition of a plantation was altered so that low producing estates of over 50 acres were no longer exempted from the Scheme.
- (c) The definition of wages was altered to include wages paid during leave and, where applicable, maternity allowance. The Trustees agreed that only those allowances and benefits which were paid in cash

should be included when determining wages but this would not include travelling allowances.

(d) Employees, who were already members of a Company Provident Fund, were given the option of continuing as members of the Company Fund provided that its rate of contribution was higher than that for the statutory fund. Where employees were transferred to the Government Scheme the amount standing to their credit in the Company Scheme would have to be transferred to the Government Fund. The Trustees have not yet issued instructions as to how this transfer is to be made.

(e) The schedule to the principal Act was amended to permit Government to levy an administration charge. The Trustees fixed the rate at 1% of the "total collections", which term was defined as being the total of both employers' and employees' contributions as well as bonus contributions.

The Provident Fund Scheme has as a whole continued to work smoothly and the Board of Trustees have dealt with the minor difficulties which have been encountered in the application of the scheme to individual cases very creditably.

Minimum Wages, Assam.— During the year the management of a Tea Garden was prosecuted under the Minimum Wages Act for failure to pay the full minimum wages to certain daily workers who failed to complete their tasks. The Deputy Commissioner's finding is reported as it is of great interest to members. "In my opinion when a Nirikh or taskwork is given it is expected that a reasonable part or portion of the task must be completed before a labourer can claim his minimum wage otherwise there is no reason as to why he should make any effort to work when he can claim his minimum wage regardless of his output of work. Under the circumstances I find the claim quite absurd and dismiss the same."

Firewood for Labour.— Several times during the year gardens reported that they were finding it difficult or impossible to make firewood available for their labour and in several

instances land available for the planting of trees had been requisitioned by Government. It was also brought to the notice of the Committee that there was considerable delay in gardens receiving permission to fell in their own forests. The matter was taken up with the Divisional Forest Officer, and it was pointed out that firewood should be made available whenever possible and that a general conversion to cash of the responsibility to make firewood available to labour was not favoured.

Republic Day - 26th January, 1958. — As usual, the Government of India, requested employers to declare Republic Day, the 26th of January, as a paid holiday. As the 26th of January, 1958 was a Sunday and as such would, in any case, be a holiday for the great majority of workers in the tea industry, no separate payment needed to be made for the normal day of rest since payment for that day is already included in the minimum wage for the six working days in the week under the method used by the Minimum Wage Committees in both Assam and West Bengal for fixing the daily wage. The Committee, after obtaining the opinion of the Bengal Chamber, recommended to its members that if Sunday was not an employee's normal day of rest he should be given a holiday on 26th January, 1958 for which he should be paid.

Labour Welfare, Assam : Rowriah Welfare Training Centre. — Three training courses were held at the Rowriah Welfare Training Centre during 1958 and Agency Houses were asked to provide candidates from the gardens under their control as usual. Several Agency Houses, however, experienced difficulty in obtaining suitable candidates and towards the end of the year it was decided to obtain fuller information from the Assam Branch about the way the courses were run and a report by one of the Branch stipendiaries on the organisation and functioning of the Centre so that the Association's policy in this connection could be reviewed. The subject is still receiving consideration.

Community Centres for Tea Garden Labour. In last year's report it was recorded that the Assam Welfare Labour Board had modified its scheme for the establishment of community centres

on tea gardens in Assam and had decided to construct multi-purpose centres instead for which five bighas of land were asked for at each site. The five gardens which had previously promised to make one bigha of land available for the community centres naturally wished to reconsider their offers.

In February, 1958, however, the Labour Commissioner for Assam advised the Shillong Adviser that Government had decided to select 25 sites for the establishment of the multi-purpose centres and asked for the Association's assistance in their selection. The Association was somewhat alarmed that Government expected the Association's members to provide all the sites and the Shillong Adviser was asked to suggest to the Labour Commissioner that other Producer Associations might be allocated a proportion of the sites required. Later when members reported that they were being asked to release land for the community centres, the Association addressed the Labour Welfare Officer, Assam direct, asking him to let the Association have full information about the arrangements made with other producer associations, the total number of centres for which members of the Association would be asked to provide land and the proposed location of the centres.

In reply the Labour Welfare Officer stated that of the five gardens which had previously been selected two had been omitted from the new scheme and that the P.W.D. were undertaking the construction of buildings for the centres on the Dejoo, Salonah and Bidyanagar Tea Estates which had offered suitable land for the purpose. For the remaining 22 centres it was proposed to choose suitable areas and then to ask appropriately situated managements to offer sites in those areas, which would then be referred to the Assam Welfare Board for final approval.

This procedure led to some confusion because in the Assam Valley it appeared that suitable areas had been chosen on 46 tea estates that the managements had been asked to provide sites of which 16, including those on the Salonah and Dejoo Tea Estates, appeared to have been approved by the Welfare Board. In some of these cases the managements agreed to release the land selected while in others the matter remained under consideration.

In Cachar it appeared that in addition to the site at Bidyanagar Tea Estate, sites at Chingoor and South Cachar Tea Estates had been found and that negotiations were going on between the Board and the managements regarding the selection of a suitable site either on the Koomber Tea Estate or the Kurkuri Tea Estate.

Although the situation was far from clear, the Association asked members to co-operate with Government on this matter and release land for the centres whenever they found it possible to do so.

Bharat Scouts and Guides.— In last year's report reference was made to the fact that the Tea Board had initiated a scheme for the training of garden nominees by the Bharat Scouts and Guides as Scout Masters and Cub Masters with a view to organising Scouting in Tea gardens. The Board desired to continue the scheme on an intensive scale and decided to extend financial assistance for the training of tea garden nominees in a Patrol Leader's Course conducted by the Bharat Scouts and Guides and to pay camp charges to the camp authorities in respect of garden nominees who completed the Training Course.

During the year several organised Patrol Leaders Training Camps were held at Darjeeling and a number of tea garden nominees joined and completed the Course.

Discharge of the Working Members of a Dismissed Worker's Family.— In last year's report it was stated that Government continued to hold the view that the Association's attitude was contrary to accepted principles of fairness and equity and they referred the matter to the Industrial Committee on Plantations. Later in the year a Private Member's Bill was placed before the West Bengal Assembly and is still under consideration.

Standing Orders for Central Workshops of Companies in the Membership of the Assam Branch Indian Tea Association.— During the year the Standing Orders for central workshops of companies in the membership of the Assam Branch Indian Tea Association were duly certified by the Labour Commissioner,

Assam under the provisions of the Industrial Employment (Standing Orders) Act, 1946.

Labour Participation in Management.— In last year's report it was recorded that the Association had decided to extend its co-operation and to agree to the appointment of joint management councils on two estates in Assam and one in the Dooars and that the principal trade union representatives in Assam and West Bengal had been invited to suggest a panel of about a dozen estates each from which the gardens, on which the experiment of labour participation in management could be tried, would be selected.

The gardens finally selected in Assam were the Panitola Tea Estate belonging to the Jokai Assam Tea Co., Ltd. and the Sonabheel Tea Estate belonging to the Sonabheel (Assam) Tea Co., Ltd. and the formal agreements for the establishment of the Joint Councils were signed by representatives of the management and labour at Sonabheel on the 9th April 1958 and at Panitola on the 14th July 1958.

The Joint Councils in each case consist of eight members—two representing employers and six representing workers. Of the workers representatives one was selected from the clerical staff, one from the artisan staff and four from the labourers. The Managers of the gardens served as Chairmen of the Councils.

Since their inception the Councils have held regular meetings and the experiment seems to be progressing very satisfactorily.

In West Bengal unfortunately it has not yet been possible to find a tea estate on which the experiment can be tried out and negotiations are still proceeding. The Indian Tea Planters Association advised the Association that they were proposing to try the experiment on the Hahaipatha Tea Estate but no details are available.

In June, 1958 the Government of India drew the attention of the Association to a resolution which had been passed by the Cachar Cha Sramik Union in April urging that an experiment

in workers' participation in management should be made in the Cachar district also. The Surma Valley Branch were asked if they could suggest any garden for the purpose but up to the time of writing the Branch's efforts to find a willing garden had met with no success.

Industrial Committee on Plantations.— The Eighth Session of the Industrial Committee on Plantations was held in Shillong in January, 1958. The Association was represented by Mr. C. D. Wilson, Mr. J. L. Llewellyn and Mr. J. S. Hardman and among the principal subjects discussed in a lengthy agenda were:—

- (i) Proposed ILO recommendations on conditions of employment in Plantations.
- (ii) Amendment of the Plantations Labour Act, 1951 ;
- (iii) Extension of the Industries (Development and Regulation) Act to Plantations ;
- (iv) Ratification of the Code for Discipline in Industry by Organisations of employers and employees in the Plantations ;
- (v) Discharge and eviction of workers following dismissal of the head of the family ;
- (vi) Housing for plantation workers ;

The most difficult item on the agenda from the Association's point of view was the question of eviction on which the official verdict was that employers were definitely in the wrong. After a prolonged discussion it was decided that there should be further consultations on the subject with the State Governments.

The Plantation Labour Act.— *Medical Advisory Boards.*— As reported last year the Association was asked to collect information regarding the incidence and treatment of leprosy and tuberculosis, and consolidated figures in respect of West Bengal were passed to the Chief Inspector of Plantations, West Bengal on the 1st March, 1958.

A meeting of the West Bengal Medical Advisory Board was held in February. The main matters discussed were the provision of kutchha wards for tuberculosis patients, the training of nurses, and the submission of progress reports by gardens in Form 18. A suggestion that the Industry should bear the cost of training centres and the training of nurses was rejected by the Association's representatives.

During the course of the year an industrial dispute concerning the liability of management to provide medical treatment off the garden was referred to an industrial tribunal, the result of which is still awaited.

The Assam Medical Advisory Board continued its periodic sessions throughout the year. Although it was announced by notification in the Gazette in December, 1957 that the Board was being reconstituted so as to give employers and employees five representatives each in place of the original four, the notification eventually issued on the 7th July, 1958 was in fact exactly the same as that issued on the 24th August, 1957.

Appointment of certifying Surgeons.— In last year's report it was recorded that the Association represented to the Government of West Bengal that the qualifications of certifying surgeons should be sufficiently relaxed to permit of the appointment of assistant medical officers. The State Government's first reaction was unfortunately not very helpful, for it suggested that certifying surgeons should possess the M.B.B.S. qualification and, on enquiry, it was found that very few assistant medical officers held this degree. After further consideration, the State Government agreed to accept any certificate issued under the Indian Medical Degrees Act, the Indian Medical Councils Act, or any State laws relating to medical councils and it is understood that this relaxed qualification is possessed by the majority of assistant medical officers. The Calcutta Gazette, dated 8th May 1958, published the names of garden medical officers who had been appointed as certifying surgeons under the Plantations Labour Act. In Assam action has not been taken to appoint certifying surgeons but it is understood that the State Government is considering the matter and

that they will probably be prepared to appoint assistant medical officers.

Plantations Labour Act : Garden Hospitals.— At a meeting of the Medical Advisory Board held in Shillong in September it was agreed that the Association should initiate action by drawing up a standard list of records and returns to fulfil the requirements of the rules for consideration by the Board, along with the comments of the Director of Health Services thereon. It was also agreed that the I.T.A. would draw up a standard list of drugs for similar consideration. It is proposed to take the list already approved for collieries and make such recommendations for tea garden hospitals as our Medical Advisers may suggest.

Plantation Labour Act, 1951 : Canteens.— In last year's report it was stated that members of the Indian Tea Association should construct a total of 12 out of the 16 canteens required in the Assam valley. Two suitable canteens were already in existence and the remaining 10 were distributed amongst Agency Houses so as to allocate the canteen in each circle to the Agency House with the largest acreage or, where that Agency House had already fulfilled its quota, to that with the next largest acreage.

During the year steady progress was made in providing canteens for labour, many gardens voluntarily providing them. Several Agency Houses had to delay the construction of experimental canteens, however, on account of the scarcity of cement.

Tea Garden Creches : Employers Liability in Case of Accidents.— An enquiry was received from the Assam Branch regarding the Management's liability in relation to a child meeting with an accident whilst using the garden's creche. As the establishment and maintenance of creches are not gratuitous but obligatory, the opinion of the Bengal Chamber's Legal Adviser was sought, and he stated that the employer is bound to take reasonable care for the safety of the children under his temporary care and that he will be accountable for any injury that arises due to his negligence.

Plantation Labour Rules—Assam : Advisory Board on Housing.

The Assam Government during the year drew up a revised plan for housing and it was apparent from the specifications that it involved increased costs at a time when the industry was already having sufficient difficulty in meeting its housing obligations. The revised plan was therefore accepted by the Association as being for guidance only and not legally binding, and it was decided to raise the question of specifications at the next meeting of the Assam Housing Advisory Board.

An official request was received from the Chief Inspector of Plantations that garden managers should serve on circle committees to enquire into complaints about the inadequacy of housing programmes and to examine requests for exemption. The request was carefully considered by the Association, who regretted however that the proposal was one which they were unable to regard with favour, as it seemed inevitable that circle committees would have to devote a considerable amount of time to the effective performance of their duties and, with the many heavy pre-occupations which tea garden managers already had no manager could, in all fairness, be asked to spend long periods away from his proper responsibilities. The Association suggested that Government might find it possible to obtain the services of a retired PWD Officer with the necessary qualifications suitable for a Housing Inspector.

Housing.— The Tea industry by the Plantation Labour Act is under an obligation to construct houses each year sufficient to accommodate 8% of the labour force. This obligation throughout 1958 gave rise to very great trouble and anxiety as Managements were faced with serious difficulties both in finding finance and in obtaining constructional material in short supply. The most serious shortage at the beginning of the year was that of cement but during the year the position improved considerably.

Plantation Labour Rules : Line Housing.— The West Bengal Plantation Labour Rules, 1956, prescribe that the employer should bring to the notice of each worker to whom housing accommodation has been provided, the conditions governing

the occupation of such houses in writing in a language which the worker can understand. The Association arranged to print copies of the required notice in English, Hindi and Nepali and these were distributed through the Branches.

Labour Housing : Depreciation Allowance under Indian Income Tax Act, 1922.— The Association's Finance and Taxation Sub-Committee met during the year to discuss the question of depreciation on labour housing and decided to make an approach to Government on an industry basis. It was pointed out that the Tea Industry was in a special position in that it had a statutory obligation not shared by the generality of industries to provide housing each year for 8% of its labour force, and it was only reasonable that the industry should be allowed to retain sufficient finance to meet this heavy liability. As housing was a matter which touched the social conscience and improved housing was the object of all sections of the community and of Government, it was thought that an approach for tax concessions on account of housing might expect a sympathetic hearing. After consultation with the Chamber, the Association accordingly submitted a memorandum to the Government of India, asking that Government should give early consideration to means of alleviating the financial difficulties which prevent the industry from vigorously prosecuting the task of improving housing conditions. The memorandum is still under the consideration of Government.

Assam Plantations Labour Rules : Recreational facilities for Labour.— During the year the Chief Inspector of Plantations, Assam, pressed the matter of providing recreation centres and facilities under Rules 50 and 51 of the Plantations Labour Act. As financial stringency was an obstacle to the carrying out of the whole programme immediately, the question of phasing the programme was taken up with the Chief Inspector, who recognised that it would not be possible to get everything done at once but desired that a start should be made with a recreation centre, preferably in a central situation, which would serve a substantial number of the workers.

Medical Services on Tea Estates.— Under the Plantation Labour Rules tea gardens are required to submit periodical returns showing the progress being made by them in the matter of providing medical facilities for their labour. The standards reached by members at the 30th June 1958 are recorded for information:—

	Members Standards as at 30-6-58	Plantation Labour Rules Standards
	Per thousand	Workers
Hospital Beds	26.49	15.00
Doctors	1.34	0.57
Midwives	1.33	0.57
Nurses	1.67	1.43
Compounders	1.26	0.57
Anti-Malaria/Health Assistants	0.72	0.48

Labour Relations.— In 1958, 29 strikes were reported from member gardens as compared with 52 in 1957. In 21 of these instances the stoppage of work lasted not more than one day while in 2 cases only the strikes continued for more than 5 days. The number of man-days lost fell from 189,578 in 1957 to 167,136. The loss of production was estimated at 10,712 maunds of tea against a loss of 13,953 maunds of tea in 1957. A brief analysis of the statistics in respect of each district is given in the following paragraphs in which for the purposes of comparison the corresponding figures for 1957 are shown in brackets.

In the Assam Valley 11 (12) strikes occurred involving 7,908 (6,007) workers; 18,726 (38,597) man-days were lost with a loss in wages of Rs. 31,141 (Rs. 54,088). Production losses amounted to 957 (3,751) maunds.

In Cachar there were 2(5) strikes. The number of workers involved totalled 502 (2,138) and the man-days lost were 1,047 (32,105). The loss in wages amounted to Rs. 1,480 (Rs. 25,577). Production losses amounted to 59 maunds.

In the Dooars there were 5(29) strikes involving 109,735 (22,154) workers. The number of man-days lost was 111,117 (68,850) and the wages lost amounted to Rs. 185,456 (Rs. 116,121). The loss in production amounted to 6,616 (9,444) maunds.

In Darjeeling 10(6) strikes took place in 1958 involving 4,814 (3,227) workers. The number of man-days lost amounted to 36,186 (50,026) while the loss in wages was estimated at Rs. 81,510 (Rs. 63,760). The loss in production amounted to 3,080 (758) maunds.

Return of repatriation of Emigrant Labourers.— There were instances of non-compliance with the mandatory provision of Rule 42 of the Tea Districts' Emigrant Labour Rules, in pursuance of which it is the statutory duty of managers or employers of tea estates to submit to the Controller of Emigrant Labour on or before 31st November each year, a repatriation return of all emigrant labourers and their families who have been repatriated during the past 12 months. The Association circularised members and impressed upon them that the return should be sent regularly.

Over population on Tea Estates.— As stated in last year's report, it has been evident for many years that one of India's fundamental problems is the rapid and enormous growth of her population and during recent years this problem has been the source of much difficulty and anxiety for the tea industry. As regards the training of medical personnel in the industry, the Association obtained much valuable assistance from the Family Planning Association of India. At the end of 1957, the Association took advantage of an offer from this organisation to put one of its experts, Dr. Devi Krishna Rao, at the industry's disposal for the purpose of touring the tea districts, on the understanding that the Association would meet all travelling expenses and Dr. Krishna Rao would be provided with accommodation throughout her tour. During the cold weather Dr. Krishna Rao toured West Bengal and Assam and conducted a series of five-day courses for medical personnel. Her courses, which consisted of lectures and clinical administrations and which

dealt with the theory and technique of family planning and with the best method of presentation by the organisation of family planning clinics, have been warmly received and favourably commented on in the tea growing districts. Dr. Rao recommended that in those garden hospitals where the A.M.Os. attended her lectures certain stocks of contraceptive appliances should be maintained and her recommendation was brought to the notice of members. Further tours by Dr. Rao were arranged for the cold weather of 1958-59, and these are taking place at the time of writing.

Land Requisition in Assam.— During 1958 advices were received from Agency Houses that payment of compensation for land taken over by the Assam Government was in some cases very seriously delayed, particularly in Cachar, thus adding to the already grave financial difficulties facing the gardens concerned. The Shillong Adviser again took up this matter with the Assam Government, who were also approached by the Association itself direct. As a result of these approaches an expression of regret for the delays in payment was received from the Assam Government, which stated that Deputy Commissioners and Sub-Divisional Officers had been requested to expedite payments without further delay. This was coupled however with an intimation that payment of compensation would be due only from the actual date of taking possession and not from the date of requisitioning. In spite of the Association's efforts however, the payment of compensation continued to be attended by long delays.

On the 16th August 1958 the Government of Assam published in the Gazette the Assam Land Requisition and Acquisition (Amendment) Bill 1958, the purpose of which was to extend the effect of the Assam Act XXV of 1948 from ten to fifteen years. The result of this extension would be to enable Government not only to make further requisitions if required, but also to continue the present requisitions up to 1963 without either relinquishing or acquiring the land outright.

Assam Fixation of Ceiling of Land Holdings Act 1957.— During the year it was found that many Managers of tea estates in Assam had been called upon to furnish returns of land under

Section 5 of the Assam Fixation of Ceiling on Land Holdings Act 1957. Accordingly a Circular Letter was issued to all members of the Association in Assam (No. 132 of the 1st December, 1958) forwarding a copy of the Act as amended, together with a note by the Shillong Adviser explaining the implications of the Act, and the procedure to be adopted in the submission of returns. Rules to carry out the purposes of the Act were issued by the Government of Assam in a notification dated the 18th February, 1958.

Introduction of the Metric System of Weights and Measures.—

In last year's report it was mentioned that a conference had been convened by the Tea Board on the 29th June, 1957 at which the problems which would arise from the application of the Metric System of weights and measures to the Tea Industry had been discussed. At this Conference it had been tentatively agreed that tea garden areas would be converted from acres to hectares from the 31st March, 1959, that leaf weighments would be recorded in both seers and kilograms from the 1st April, 1960, that as a measure of educating labour the quantity of green leaf plucked would be announced in terms of kilograms at frequent intervals and that tea would be sold in metric units from the 1st April, 1960.

Early in 1958 the Tea Board asked the Association to draw these decisions to the attention of members so that they could take the necessary steps to give effect to them in due course. The Association considered that it would be advisable when carrying out the Board's request, to inform members of the conversion factors which would have to be used when converting acres and pounds to hectares and kilograms respectively. The Board was accordingly asked for advice on this matter and it in turn referred the problem to the Standing Metric Committee. This Committee advised that the conversion factor would depend on the degree of accuracy required and whether correction to the nearest hectare or kilo would be sufficient and the Association was asked for information regarding the highest acreage and the largest weight which would have to be converted.

The Association pointed out in reply that the Licensing Committee of the Tea Board would have to convert its records

of acreage from acres to hectares and it would be for the Board to decide what degree of accuracy was required for this purpose. At present acreages were reported in acres up to two decimal places and if the same arrangement was followed in respect of hectares a conversion factor of 1 acre to 4.05 hectares would appear to be suitable.

As regards the conversion of weights to kilograms it was suggested that the Calcutta Tea Traders Association should be consulted as the members of that Association would be more intimately concerned with this matter.

In September, 1958 the Tea Board once again reminded the Association of the decision to record acreages in hectares from the 1st April 1959 and asked the Association to obtain the co-operation of members. In reply the Association drew attention to the previous correspondence and further asked for clarification on whether tea areas would be converted to metric measurements by the application of a conversion factor or whether it would be necessary for gardens to be resurveyed and for the title deeds etc. to be amended.

The Tea Board has since appointed a working party, on which the Association is represented by Mr. J. L. Llewellyn, to examine the various details of applying the metric system to the Industry and trade and further orders will no doubt be issued by the Board in due course.

Introduction of the Decimal Coinage.— In last year's report it was recorded that, despite the introduction of the decimal coinage system in India from the 1st April, 1957, the Industry was proceeding cautiously in the matter of converting wage rates to the decimal system and that up to the end of 1957 no changes had been introduced.

With the decimal coins becoming more plentiful in 1958 the Association and the Branches gave further detailed consideration to this matter and developments in the various districts may be recorded as follows: -

Assam Valley.—Early in 1958 some gardens in the Assam Valley added an extra dial to their weighing

machines which were calibrated to weigh up to one maund. On this extra dial Rs. 2.50 was marked at the point corresponding to 1 maund because this was the rate for kaf, and the scale was divided into fifty 5 nP. units. Weighment was then called out in terms of Currency. This system was considered the most suitable for introducing the decimal system for green leaf weighment and it was gradually extended to other gardens in the Assam Valley where it is working very satisfactorily.

As regards the conversion of the minimum wages notified by Government the Association was of the opinion that the rates should merely be converted into their decimal equivalents, the basic wage and dearness allowance being converted separately. This method, however, gave rise to a few minor discrepancies in that the adult male worker would receive 1 nP. less than the amount he would receive if the total wage were converted into the decimal system. As it was considered that workers should not lose when the decimal system was introduced the Branch agreed to increase the basic wage of the adult labour by 1 nP. Although it was agreed at a meeting of the Assam Standing Labour Committee held on the 14th July, 1958 that the wage rates notification should be revised by Government to show wages in decimals and although the Shillong Adviser had prepared a revised notification for the consideration of Government no action has yet been taken in this connection.

Cachar.—In this district it appears that some 18 separate plucking rates are in force and was agreed that these rates should be standardised in consultation with Government and the Unions to facilitate the adoption of the Decimal Coinage system.

Dooars.—The Branch made certain recommendations for the conversion of the wage rates into the decimal coinage system but Government were unwilling to accept them on the ground that the recommendations of the Minimum Wages Advisory Committee should be awaited. In the circumstances it was decided not to press the matter.

Darjeeling.—The Branch was not anxious to take any action and the present practice of converting according to the official table on the occasion of each wage payment continues.

Import Advisory Council.— The Import Advisory Council held two meetings during the year, one on the 8th February 1958 and the other on the 30th August, 1958.

At the first meeting the Association asked the Bengal Chamber of Commerce and Industry to draw Government's attention to the difficulties experienced by the Industry as a result of the restrictions on the import of tea machinery and the shortage of cement.

At the second meeting the Chamber was asked to suggest a relaxation in the import policy relating to tinplate waste which is used in the manufacture of tea chest fittings and which was in very short supply.

Foodgrains, Assam—1958.— At the end of 1957 the price of rice had hardened and available stocks of grain in the principal markets were declining. In certain areas within Assam crop failure were reported, notably in Nowgong District, and this coincided with pessimistic crop reports from other parts of India. In the Assam Valley the carry-forward of stocks in January, 1958 amounted to 6,000 tons. It was decided to enforce khet assessment more strictly than had been the case in years of relative abundance, and it is estimated that this produced a saving of 11,590 tons. On the 9th January, 1958 the Government promulgated a Foodgrains Licensing and Control Order which regulated all wholesale transactions. One purpose of the system of control was to enable Government to build up stocks by means of a levy on rice millers, but the nett result was to reduce very drastically the supplies locally available for the Tea Industry. Had it not been for prompt and effective assistance from the Central Government the situation would have been precarious in the extreme. Once again the Industry resumed the practice of issuing wheat at the rate of 3/7ths of the cereal ration. An initial allocation of 16,000 tons of wheat by the Centre was followed by further allocations, and relief was

afforded by an allocation of 4,000 tons of rice, also from the Centre. In addition, Assam gardens were fortunate in securing quantities of rice originally procured by Messrs. Steel Brothers and Company for gardens in West Bengal. Throughout the year there was a very heavy dependence on wheat and rice imported from outside the State and local allocations remained at a very low level. Issues during the year totalled 14,000 tons of wheat and 22,000 tons of rice, a grand total which compared with 49,000 tons during the previous year. The decrease in the volume of issues was due mainly to the khet assessment being more strictly enforced, improved conditions on the North Bank, and a marked reduction in off-take in the last 2 months of the year. Assam generally had very good crops, and this combined with optimistic record crop forecasts in other parts of India caused prices to fall and supplies to become more readily available. Official thought began to turn to the need for protecting the cultivator from the effects of depressed prices. Stocks at the end of the year amounted to 4,500 tons of rice and 5,700 tons of wheat.

In Cachar the position had been less critical, since locally the crops had not been unsatisfactory, and the danger of substantial supplies moving out of the District was checked by the limited capacity of the Hill Section. In Cachar also wheat was supplied as part of the ration and this contributed to easing the pressure on rice supplies.

Coal Supplies.— The coal requirements of member gardens in North Bengal, Cachar and the Assam Valley for 1958 were:

- 68,249 tons for North Bengal gardens (Dooars, Terai and Darjeeling)
- 15,000 tons for Cachar gardens.
- 75,224 tons for Assam Valley gardens.

Coal for *North Bengal gardens* was transported by three separate routes, the all-rail route via Bhagalpur and via Mokamehghat, the Indo-Pakistan rail route via Haldibari and via Santahar and the river-cum-rail route via Dhubri. The small quota of 2 B.G. wagons daily via Bhagalpur and Mokamehghat was used to move a part of the requirements of

gardens in the Darjeeling area, while the via. Haldibari route fed the requirements of gardens in the Western Dooars, Terai and Darjeeling. For the East and Central Dooars, coal was routed via. Santahar. Early in the year however it was apprehended that rail movement was inadequate to complete the season's requirements on time and it was decided that part be moved by the river-cum-rail route via Dhubri. The Deputy Coal Controller through the Tea Board arranged that shortfalls in despatches against the monthly programmes via. Santahar would be made good by movement over the river-cum-rail route via Dhubri. The Deputy Coal Controller also agreed to allot an additional rake via Haldibari every fortnight.

From April, in accordance with new routing arrangements, announced by the Director, Rail Movements, despatches of coal for gardens in the East and Central Dooars were consigned by the Indo-Pakistan rail route via. Haldibari instead of via. Santahar in block rakes of 60 B. C. wagons each, which further improved despatches. With the assistance of the Director, Rail Movements, in ensuring full implementation of rail programmes a rapid improvement in the supply position was evident and by the end of July, 1958 the entire season's requirements were despatched in full. Of the total quantity of 71,384 tons despatched to North Bengal gardens, rail movement accounted for 59,606 tons (83%) and river-cum-rail 11,778 tons (17%).

In view of the large number of complaints received from garden managers in the previous year regarding the poor quality of coal supplied it was arranged that Messrs. Steel Brothers & Co., Ltd. should undertake the inspection of coal at the transhipment point at Haldibari and report on the quality on the Association's behalf. Reports on consignments containing an unduly high percentage of dust were passed on to the suppliers for their explanation and though there is no evidence as yet to show that these measures have resulted in any appreciable improvement they provide the opportunity of keeping the question of quality constantly before the suppliers. The Industry is allowed the use of Selected 'B' Grade coal for manufacturing purposes, but there are infrequent occasions when it is not operationally possible to load complete rakes of this quality and Grade I coal has to be accepted at such times.

The accumulation of stocks for the coming season is satisfactory as the bulk of the season's coal requirements of North Bengal are already on the gardens. Despatches for 1959 consumption commenced from 1st August, 1958 and up to the end of January, 1959 some 55,000 tons of coal, wholly routed by rail and representing approximately 86% of the total demand had been despatched from the collieries. It is gratifying to note that this is the first time since World War II that tea gardens in North Bengal will be able to face the opening of the new season with adequate stocks of coal.

Supplies to *Cachar gardens*, as in the previous year were effected from Assam Collieries but as usual movements from Assam did not keep pace with requirements as with the complete cessation of rail movement through East Pakistan to Cachar in July it was evident that no further supplies could be expected from collieries using that particular route. Determined efforts were made to obtain an allotment of Bengal coal for urgent shipment to Cachar during the limited period which remained before the seasonal closure of the river to direct steamer traffic and fortunately a stock of 3,000 tons of Bengal coal, originally brought down for shipment to the Dooars, was, at the time, lying at Howrah Depot. The Coal Controller kindly agreed to the shipment of this coal to Cachar in addition to which a further allotment of 1,800 tons of Bengal coal was sanctioned, but due to river conditions it was not possible to ship the entire quantity. The total quantity of coal despatched to Cachar from all sources, including 4,370 tons from Bengal, was 16,263 tons.

For the *Assam Valley gardens* allocations from Assam collieries were as follows:—

Ledo	...	...	8,720 tons
Dilli	...	...	6,243 tons
Jeypore	...	...	6,895 tons
Kailajan	...	...	9,202 tons
Nazira	...	...	4,385 tons
Khasi	...	...	35,843 tons
TOTAL:—	...	...	<u>71,288 tons</u>

Deliveries were made by rail from the collieries in Assam to the various depots maintained by the Assam Branch which arranges final distribution to gardens. Supply of Khasi coal was made both by rail and by river from Gauhati through the distribution arrangements of Messrs. Steel Brothers & Co., Ltd. Total deliveries in the Assam Valley from coalfields in Assam during the coal year from 1st September 1957 to 31st August, 1958 amounted to 73,930 tons or 98% of the total indents. No Bengal coal was allotted.

The inadequate supply of Ledo coal continues to present a most serious problem in maintaining regular temperatures in the tea drying process, which is so necessary to the manufacture of high quality teas. For a section of the Industry, which in the past was solely supplied with Ledo coal, to maintain the high standard of quality tea now required with a greatly reduced quota of Ledo coal made up by disproportionate supplies of other very inferior Assam coal is a considerable task and much expense and experience devoted to the production of high quality leaf is vitiated in the manufacturing process for want of coal of a suitable standard to maintain machines at constant temperatures.

Despite the recommendations of the Plantation Inquiry Commission that the quality of coal supplied to the Industry should not be below the standard of Selected "B" Grade coal, Assam gardens by virtue of their location continue to receive coal of a quality much below that of Selected "B" Grade coal. There is also considerable dissatisfaction over the quality of Khasi Coal supplies for, although tea gardens should receive "run-of-mine" coal much handpicking and screening takes place and the remainder is made available to the Industry. There is no check on the quality of supplies despatched from the permit holders' dump in Shillong. Furthermore, the landed cost of Khasi Coal is prohibitive at Rs. 75/- per ton when compared with the landed cost at Rs. 45/- per ton of Bengal coal in the Dooars. Garden Managers are concerned that undue proportions of inferior coal not only detrimentally affect the quality of manufactured tea but will also mean continuance of a procedure which many members had to adopt in recent years namely, the cutting of tea shade trees for fuel to assist the

combustion of inferior coal and coal dust supplied. Such measures can only result in steady deterioration of the tea areas, a situation which in any circumstances is to be deplored.

Iron and Steel.— The supply of Iron and Steel during 1958 was almost the same as in the previous year, demand continuing to exceed supply.

Despite increased steel production in 1958, the tea industry has not been favoured to that extent due to the fact that the Government of India has not included it in the Core Priority List of the Second Five Year Plan. As a result, tea gardens were greatly handicapped not only in their development and extension projects but also in maintenance and repair work.

The total tonnage of steel allocated to the Tea Industry during 1958 was as follows:—

(1) Maintenance and Repairs ...	2,486.12 tons
(2) Development and Extensions	650.61 tons

The prospect of obtaining steel in the coming season appears to be better than in 1958 due to the recent installation of new mills by the Tata Iron & Steel Company and the Indian Iron & Steel Company. It is also expected that the Government Steel plants will go into production by the end of 1959.

In accordance with the decision taken by producers to standardise production, the Government Steel Plants, Tatas and the Indian Iron & Steel Co. will henceforth produce the various sections of iron and steel in metric measurements.

Cement.— The supply of cement to tea estates remained during the year under the control of the Regional Honorary Cement Adviser who allotted permits on the basis of applications submitted through the Tea Board. The procedure laid down by the Tea Board for the submission and sponsoring of applications for quotas worked satisfactorily.

At the beginning of the year it was announced by the Government of India that as a result of a substantial increase in cement production in 1957 and a decline in consumption by

Central and State projects due to the slackening of pace caused by the shortage of foreign exchange and steel the supply position of cement had eased considerably and because of this the State Governments had been asked to abolish the existing procedure for obtaining permits for cement. The increased quotas allotted to the States by the Centre had enabled them to introduce certain relaxations such as sale of specified quantities of cement without permits and free sale of what is not lifted by permit holders. These relaxations, of course, related only to the distribution machinery at State level and were of benefit mainly to private individuals who were now able to buy cement without permits. The tea industry comes under the Central Government in the matter of cement quotas and since there was no change in the existing system of allocation of quotas by the Central Government tea estates continued to submit quarterly applications for their requirements.

The total tonnage of cement, both indigenous and imported, allotted for the various periods against the demands submitted by the tea industry was as follows:—

		<i>Demand</i> Tons	<i>Allotments</i> Tons
Period I	...	52,080	33,910
Period II	...	27,810	26,196
Period III	...	9,291	9,291
Period IV	...	8,158	6,069
TOTAL :	...	<u>97,339</u>	<u>75,466</u>

The quantity allotted was equivalent to approximately 77% of the total demand of the industry as compared with 21% allotted in the previous year.

It is hoped that the improvement noted during 1958 will continue throughout 1959 and that it will be possible in the not too distant future for the Government to relinquish control over the distribution of this important commodity.

Fertilizers.— During the year under review the position regarding the supply of nitrogenous fertilizers to the Tea Industry remained extremely difficult. On the one hand the firms supplying fertilizers continued to be pressed by Government to accept quantities of Urea and Ammonium Sulphate Nitrate to make up in part the shortfall in Ammonium Sulphate, and on the other hand the Tea Industry were highly doubtful of the suitability of the former in the conditions obtaining in Assam. Doubts continued to be expressed regarding the hygroscopicity of Ammonium Sulphate Nitrate and Urea, and in the case of the latter the scientists at the Tocklai Experimental Station had considerable misgivings about its effects on tea. It was considered that Sulphate of Ammonia was the most suitable nitrogenous fertilizer in all respects for use on tea and it was repeatedly urged that Government should release sufficient supplies to the Industry.

Discussions took place with the Tea Board (and through the medium of its Chairman with the Ministry of Agriculture in New Delhi) regarding the above points, which were also taken up directly with the Government of India by an Association delegation which visited New Delhi in May. It was urged that the minimum requirements of Sulphate of Ammonia by the Tea Industry in North East India were 65,000 tons per annum and that Urea and Ammonium Sulphate Nitrate were unsuitable even when supplied in mixture form. The Industry therefore found itself compelled to insist on an adequate supply of Sulphate of Ammonia in straight form and declared itself against the acceptance of Urea and Ammonium Sulphate Nitrate. These representations resulted in a directive from the Ministry in July that Russian Sulphate of Ammonia should be supplied in neat form and it was later generally agreed that users must be able to take their fertilizer requirements in neat form if they so desired.

Further discussions took place in October in New Delhi between the Association's Chairman and representatives of other producer interests and the Government, at which the prospects of increased fertilizer supplies were mentioned. The Industry had early in the year been informed that only 50%,

of the previous year's allocation would be available in 1958/59. Despite these vigorous representations the allocation had not been increased by the end of 1958 though there was some hope that extra supplies might eventually be made available.

Tea Chests. The quality of tea chests used by tea gardens was the subject of much adverse comments by buyers during the year under review and the Indian Tea Association, London reported early in the year that a Special Sub-Committee of all interests concerned had been set up to examine the condition of tea chests in the London warehouses. The general view of this Sub-Committee was that tea chests manufactured in North India were of inferior quality when compared with chests manufactured in South India, that many chests had suffered hook damage, which in the case of North Indian chests had caused the panels, which were more brittle, to split and that the substantial number of chests which had been coopered indicated that damage had been severe between the garden and the shipment sheds in Calcutta.

After examining the Sub-Committee's report the Association advised the London Association that it would be necessary for specific complaints to be recorded if action was to be taken at this end. The Association would have to know the name of the garden whose teas were complained of, the invoice number of the chests, the brand of plywood used and its date of manufacture. General statements were not of much use. It was admitted that the standards of handling at the Calcutta Port had deteriorated but hooks were certainly not used and damage by hooks could only have occurred in London. To minimise damage at the time of shipment many shippers loaded teas on ocean going steamers themselves. As far as the brittleness etc. of North Indian tea chests and their inferiority to South Indian and imported chests was concerned it would be necessary to carry out tests of tensile strength, glue adhesion etc. based on tests prescribed by the Indian Standards Institution.

At Calcutta, tea chests were inspected at the warehouses on several occasions during the year by the Tea Board Ware-

house Inspection Team and the Association was advised that the team had noted the following general defects:—

- (a) some tea chests were too heavy for handling. It was suggested that the size of the standard chest might be reduced from 19" × 19" × 24" to 19" × 19" × 22";
- (b) many chests were damaged by other chests falling on them cornerwise ;
- (c) insufficient nailing margin was allowed in some cases and the panels had torn away ;
- (d) the manufacturers' and plywood inspectorates' marks were not always visible and appeared to be on the inside of the chest ;
- (e) in some cases the garden marks had been superimposed on the manufacturers' and inspectorates' marks.

The Association invited the attention of members to the various defects reported by the Inspection Team but advised the Tea Board that they were not in favour of reducing the size of the standard chest as more chests would be required to pack the crop and gardens could not afford the additional expense. It was also suggested that the manufacturers' and plywood inspectorate's stamps should be marked in the centre of the side panels and in the corner of the top and bottom panels and to ensure their legibility it was recommended that the marks should be branded on instead of being stamped on.

Export of Tea in Unapproved Tea Chests. - In a notification dated 7th December, 1957 the Government of India announced that teas sold at auctions in India would only be allowed to be exported if they were packed in tea chests which were approved by an Inspector of the Development Wing in the Ministry of Commerce and Industry as conforming to I.S.I. specifications. It was intended that the order would come into force on the 1st June, 1958 but the Committee considered that this did not allow sufficient time for the disposal of unapproved tea chests in

the hands of producers. The Association accordingly addressed the Chairman of the Tea Board on the 11th January, 1958 asking that the implementation of the order should be substantially deferred, that imported chests and indigenous chests purchased prior to the issue of the order should be exempted and that brokers should not be held liable if they printed teas for export which had been packed in unapproved chests, the responsibility in this connection being for the producers to bear.

As a result of this representation and of representations made by the other Producer Associations the effective date of the order was postponed at first to the 30th September, 1958 and later to the 31st January, 1959.

Supply of Tinplate for Tea Chest Fittings.— In March 1958 a member of the Association drew attention to the fact that manufacturers of tea chest fittings were finding it difficult to meet tea garden requirements because of the short supply of tinplate. The Association accordingly addressed the Tea Board, pointing out that the tin plate requirements of tea chest fittings manufacturers amounted to 3,000 tons per annum but that since the latter part of 1957 the Calcutta Tea Chest Fittings Manufacturers Association had not been granted a bulk licence for their members as had been the practice in the past and individual manufacturers had only received import licences for 40% of their requirements. In the circumstances there was a grave danger that a shortage of fittings would occur which might well prevent the tea industry from obtaining sufficient chests for the packaging of its teas with consequent detrimental results on exports. The Chairman of the Tea Board took this matter up with the Iron and Steel Controller who granted licences for tin plate waste to the extent of 100% of the quantities recommended by the State Director of Industries for the period April to September, 1958.

While this was satisfactory, the Association asked the Tea Board to make sure that future supplies of tin plate for the tea industry came forward without interruption so that the difficulties experienced during the current year would not be repeated.

Tea Drier Oil.— In last year's report it was recorded that the Association was making strenuous efforts to persuade the Government of India to relax the specifications fixed for tea drier oil but that up to the end of the year these efforts had been unsuccessful.

The Association, however, continued to press the matter and enlisted the assistance of the Tea Board through whose good offices a relaxation was eventually secured in June 1958 when Government prescribed a minimum viscosity of 50 seconds (in place of the previous minimum of 100 seconds) Redwood No. 1 at 100° F for tea drier oil.

Ocean Freight Agreement : Freight rate on tea.— In the Association's report for 1952 it was recorded that the Association had endeavoured to secure a reduction in the ocean freight on tea but that the Liners Conference had remained unwilling to grant any reduction.

Towards the end of 1957 a member of the Association asked whether, in view of the slump which was prevailing in the world freight market, the Liners Conference could again be approached for a reduction in the ocean freight rates, which had been increased to 198 Sh. per ton of 50 cu. ft. from March, 1957.

A representation was accordingly addressed to the Calcutta Liners Conference but the Conference once again proved unwilling to grant any reduction in the freight rates on tea, stating that the increases they had made in the Tariff rates over recent years had been a matter of economic necessity due to the rising cost of building, maintaining and operating ships and of providing a regular service to the trade despite the difficulties and delays encountered at Indian Ports. Furthermore freight formed a very small proportion of the c.i.f. price of tea, being less than the export duty.

The Committee were unable to accept the validity of these arguments and the Liners Conference were asked to reconsider their decision in the light of the fact that the charter market had been depressed for over six months and was showing no

signs of recovering in the near future, tramp rates being only about one quarter of the Liner rates. Furthermore there had been recent reductions in liner freight rates for almost all varieties of jute goods and from Calcutta to U.S., North Atlantic Ports, Gulf, Canada and Pacific Coast Ports amounting to as much as 25% in some cases. There had also been cuts in the liner rates on all commodities including tea from Calcutta to Port Said, Suez, East Mediterranean and African Ports, while in addition a rebate of 10 sh. per ton had been granted for these destinations. In view of this general trend in the rate structure the Association urged that it was inequitable that the freight rate to the U.K. on an easily handled cargo like tea should be maintained at the existing high rate.

As regards the contention that freight forms a relatively small component in the c.i.f. price of tea, it was pointed out that tea had to compete in an international market, that the cost of bringing the commodity to market could not therefore be automatically passed on to the consumer and that it was the producer/exporter of tea who had to bear the cost of freight, which constituted an appreciable burden on the Industry particularly when producers were having to sell their teas at unremunerative prices.

Despite the arguments put forward by the Association the Calcutta Liners Conference regretted their inability to reduce their freight rates on tea.

From the 23rd June, 1958, however, signatories to the Calcutta Nett Tea Agreement, 1951 were allowed a nett rate for tea of 178 sh. 6d. per ton of 50 cu. ft. as a result of the decision of the Conference to allow a full 10 per cent deferred commission without the previous maximum of 5 sh. per ton.

Inland Water Transport Committee.— In view of the importance of inland water transport to the Tea Industry the Association was represented on the Bengal Chamber of Commerce and Industry delegation which presented a memorandum to the Inland Water Transport Committee.

Tea Carriage Agreement.— The Association had occasion during the year to examine the terms of the Tea Carriage Agree-

ment which governs the carriage of goods on behalf of tea companies by the Joint Steamer Companies and it was concluded that, in many respects, the present Agreement was out-of-date and required revision, and to this end the Association entered into negotiations on the subject with the Joint Steamer Companies. In July a meeting of the Supplies, Transport and Freight Rates Sub-Committee was held with the object of revising the Agreement and after a lengthy discussion on various aspects of the Agreement, it was agreed that the Joint Steamer Companies would draw up an amended Agreement and submit it to the Sub-Committee for their consideration at a later date. It was also agreed that the present Agreement would remain in force until a new Agreement was produced. At the time of writing, it is hoped that the draft Agreement will be ready for the consideration of the Supplies, Transport and Freight Rates Sub-Committee within the course of the next few weeks.

Transport—1958.— In general, transport both by rail and river was satisfactory throughout the year. By the end of 1958 45,21,000 maunds of tea had been despatched from the Assam Valley and Cachar, and arrivals in Calcutta up to the end of December were nearly 41,40,000 chests ahead of arrivals to the same date last year. Movement through the port was satisfactory and increases in direct shipments to the U.K. combined with the sale in Calcutta of a greater quantity of tea to the same date as compared with the previous year kept the increase in stocks in the port to less than 1,00,000 chests. To cater for the demand for quick transit of the first and second flush teas from Assam and Cachar by the all-river route the Joint Steamer Companies gave an assurance to tea producers that consignments shipped by "Tea Specials", which in the period April to July carried 6,72,000 chests of tea, would be delivered in Calcutta within 7 days of booking documents being issued at upcountry stations. The Joint Steamer Companies were able to improve upon this timing in the majority of cases, reducing it to 4 to 5 days. Movement of coal from Gauhati, principally to the North Bank, was appreciably less than in the previous year, totalling 22,000 tons. There was again a further fall in tea traffic through Dhubri due to the imposition of the Assam Carriage Tax.

Ghat conditions at Manihari were responsible for a decrease in the transshipment from Broad to Metre Gauge systems, though in general the Northeast Frontier Railway handled an increased volume of traffic. During the year the turn-round of covered wagons improved. There was a 4.6% increase in the quantity of tea moved by rail and this totalled 22,828 M.G. wagons. There was an increase of 19% in river to rail transshipment at Pandu, 46% at Karimganj, and 147% at Neamati. Rail to river transshipment showed a decline at Pandu and Karimganj, while at Neamati, which was developing rapidly as an important transshipment point, the increase amounted to 270%. As regards coal traffic, this was lower owing to smaller quantities being offered by the collieries.

Tea Despatches Via Pakistan. During the year some members reported that they were having difficulty in regard to the carriage of tea via the Pakistan railroute. Strong representations were therefore made to the Northeast Frontier Railway Administration and the Tea Board and as a result written instructions were issued by the Northeast Frontier Railway to Station Masters regarding the movement of tea over the Indo-Pakistan railroute.

Joint Tea Warehouse Advisory and Tea Liaison Committee. The Association is represented on this Committee by Mr. E. A. Pitcairn who went on leave early in the year to the U.K. and whose place on the Committee was taken by Mr. E. F. Studd. Routine matters which affected shipment of teas and the working of the port were discussed at the monthly Committee meetings.

Warehousing Conditions. -- During the year under review the Association, acting on behalf of the trade, made several representations to the Chairman of the Tea Board with a view to obtaining his assurance that satisfactory and adequate warehousing accommodation would be provided by the Port Commissioners for the season 1958/59. As a result of these representations the Chairman of the Tea Board announced in March,

1958 that the tea industry could count on the following warehousing accommodation in the port area during the forthcoming season:

S.T.W.H. (with its extension)

H.R.W.H.

3 K.G.D. (1st and 2nd floors)

10 Sheds in Kantapukur

"S" Shed in Kantapukur

2 K.G.D. (1st floor above the cartway) and

No. 7 Calcutta Jetty (1st floor).

In addition the foreshore godowns of the Union South Jute Mill would be available as transit accommodation and there was a likelihood of another storey being added to these godowns which would provide accommodation for a further 20,000 chests of tea. On analysing the accommodation so allocated it appeared that the trade was being allowed very much the same quantity of space as had been granted in 1957-58 and that it was very likely that use would have to be made of the Union South Jute Mill's premises, which producers had used with the utmost reluctance owing to its distance from the port area and the awkwardness of its approaches. The Port Commissioners, however, were unable to give any promise of improvement.

Proposals for the construction of a new warehouse for Tea were discussed from time to time at meetings of the Tea Board and towards the end of the year an inspection of possible sites was carried out by representatives of the C.T.T.A. and interested parties, Sir Richard Duckworth, Bart., representing the Association. The sites examined included No. 1 Garden Reach Jetty and Nos. 4 and 6 Kidderpore Docks.

The Garden Reach site, while offering very satisfactory warehousing facilities, unfortunately presents difficulties from a

navigational and pilotage point of view and it is feared that endeavours to remove these difficulties such as the use of pontoons might interfere with the main shipping Channel in the river. The site at the Kidderpore Docks is not so satisfactory from the warehousing point of view and, in addition, there are likely to be complications caused by the movement of inland steamer vessels into and out of the Docks. It is understood that the Tea Board are in consultation with the Port Commissioners in the above connection but no final decision has yet been reached regarding the site for the new warehouse.

Claims against the Port Commissioners.— (a) *Time limit for submission of claims.*—On the 4th March, 1958 the Port Commissioners issued a notice reducing the time limit for the submission of claims from six months to three months. After consideration the Trade agreed to accept the Port Commissioners ruling but reserved the right to re-open the matter if experience showed that for any reason it was not possible to file claims within the three months' period stipulated.

(b) *Claims in respect of U.K. (Direct Shipment) Teas.*—In last year's report it was recorded that the Port Commissioners had introduced for a trial period a new procedure for dealing with claims on direct shipment teas and that such claims were being settled on the basis of the district average price declared by the Calcutta brokers in their market report, pending the results of the examination by a Special Committee of the effects of the new procedure on certain outstanding cases.

On the recommendation of the Special Committee the Port Commissioners finally agreed to settle claims in respect of direct shipment teas on the basis of the garden average price as shown in the weekly tea market report and where such garden average price was not available on the basis of the District Average Price.

Carriage of tea from the T. T. Sheds to the Shipment Sheds by P. C. Railway.— Early in the year the Port Commissioners advised the Association that it was their intention not to allow

the loading of broken and damaged chests into P.T. wagons for transit from the T.T. Sheds to the Shipment Sheds unless the owners agreed to accept qualified receipts. In the past a qualified receipt was only issued when a shortage of over 15 lbs. of tea was detected in the chest. As chests are not weighed by the Steamer Companies when they are handed over to the P.T. Railway it was not possible to say whether a damaged chest had a shortage of above or below 15 lbs. and the new procedure would enable the Port Commissioners to deny liability for shortages in all cases.

After consideration the Association informed the Port Commissioners that they accepted the proposals but retained the right to reopen the matter if excessive hardship resulted from damage suspected to have occurred in transit on the P.T. Railway.

Excise Duty on Tea.— (a) *Regional Excise Advisory Committee.*—The Regional Advisory Committees on Excise matters set up by the Central Board of Revenue at Calcutta and Shillong continued to function during the year and the Association was represented in Calcutta through the Bengal Chamber of Commerce and Industry by Sir Richard Duckworth, Bart, of Messrs. James Warren & Co., Ltd. and in Shillong by the Shillong Adviser.

(b) *Changes in the rate of Duty.*—The Industry had been pressing Government for relief for common teas and on the 1st June, 1958 the Government of India issued a notification exempting tea other than package tea from the payment of excise duty which was in excess of six pies per pound. The effect of this notification was that from the 1st June, 1958 excise duty was payable on the garden at the rate of 3.125 nP. a lb. No change was made in the rate of duty on package tea, which remained at 25 nP. a lb.

In announcing this change in the rate of excise duty Government indicated that the reduction was only an interim one and further concessions could be expected in due course.

In pursuance of this assurance Government introduced in the Lok Sabha on the 28th September, 1958 the Tea (Alter-

tions in duties of Customs and Excise) Bill, 1958 which empowered them to levy excise duty on tea, other than package tea, at a rate not exceeding 19 naye paise a lb. and on package tea at the rate of 21 naye paise per pound plus the duty paid at the garden. In exercise of these powers Government issued a notification dated the 28th September, 1958 dividing the tea growing districts into 3 zones which were fixed on the basis of the weighted average prices, realised by their teas at the Calcutta auctions during the previous year and for which the rates of duty were fixed as follows:—

Zone 1	2 nP. a lb.
Zone 2	4 nP. a lb.
Zone 3	10 nP. a lb.

The areas in North East India covered by the Zones are as follows:—

Zone I	Districts of Goalpara and Cachar in Assam State; Centrally administered territory of Tripura; Siliguri sub-division of the Darjeeling district and the district of West Dinajpur and other districts in West Bengal excluding the district of Jalpaiguri and other sub-divisions of Darjeeling district;
Zone II	Districts of Nowgong and Kamrup in Assam State; District of Jalpaiguri in West Bengal.
Zone III	Districts of Darrang, Lakhimpur and Sibsagar in Assam State; The Sadar, Kurseong and Kalimpong sub-divisions of the Darjeeling District in West Bengal;

Government also issued notifications cancelling the rebates of excise duty against the export duty which were granted in respect of all teas being exported and limited the concession to the additional 21 nP. excise duty paid on Package Tea.

The Zonal system of duties no doubt offers some relief to estates in Zones I and II but it was disappointing to find that tea gardens in Darjeeling would have to pay the highest rate of duty. Representations were accordingly made to the Tea Board and to the Government of India pointing out that inequity of the present arrangement and suggesting that yield should also be taken into account when determining the Zone into which an area should be placed. Government however are unwilling to modify their scheme because if yield is taken into account other areas particularly in South India would have to be transferred to the lower duty Zones which would involve Government in severe losses of revenue.

A further problem which arose from the introduction of the zonal system was that certain estates in the foothills of Darjeeling found that a portion of their tea areas were in the 10 nP zone but that their factories were in the 2 nP. area. Government were accordingly asked whether such gardens could not be treated as falling entirely within the 2 nP. zone as any other arrangement would lead to administrative difficulties.

In a notice dated the 8th January 1959 the Collector of Central Excise announced that Government had transferred the Kalimpong sub-division and the areas in jurisdiction list No. 31 and 32 of the Kurseong Police station in the Kurseong Sub-division from Zone III to Zone I and the Mangaldai Sub-division of the Darrang District from Zone III to Zone II. The implications of these changes are being studied.

(c) *Payment of Duty.* In May, 1958 the Collector of Central Excise Calcutta issued instructions that challans covering payments of excise duty into the Reserve Bank of India should in future be franked by the Excise Officers before the deposits were actually made.

As no indication was given as to why these orders had been issued, the Association addressed the Collector on the

3rd June, 1958 pointing out that his circular was involving estates in hardship and delay. It was explained that, as excise deposits were regulated by the crops harvested and were generally made in the first few days of the month after the crops for the preceding month were known, it was essential that the deposits should be credited at very short notice. Under the new procedure there was bound to be delay and tea companies would either have to make very large deposits, involving the tying up of substantial sums or would have their teas held up on the estates for long periods pending the franking of challans by the Excise officers. As the old procedure had been in force since excise duty was first imposed and as far as the Association was aware had not caused any difficulties, the Collector was asked to withdraw his revised orders.

In response to this representation the Collector stated that the object of his order was to ensure:—

- (i) that the proper head of account has been mentioned in the challan, and
- (ii) in the case of Tea Estates which are in account current with the Central Excise Department, that the permissible number of 6 deposits in a month has not been exceeded.

He stated, however, that he was prepared to withdraw his order if tea companies—

- (i) agreed to take every care to ensure that the correct head of account is entered in all challans;
- (ii) gave a certificate on every challan confirming that the number of six deposits in the month has not been exceeded.

The Association, after obtaining members' assurances to the foregoing effect gave the Collector the necessary guarantee and he thereafter withdrew his circular.

(b) Deferred payment of Excise Duty.—In September the Chairman of the Tea Board asked the Association for its views

on the special procedure for the deferred payment of excise duty on tea which had been in force in 1952/53 and to which reference was made in the Association's report for 1952.

After consulting members the Tea Board was informed that the following opinions had been received: --

1. The previous arrangement was defective in that it gave credit only for one month. Tea takes usually six to eight weeks between leaving the garden and sale and there is also a further delay before sale proceeds are recovered. The general feeling therefore is that any credit of less than three months really serves no very useful purpose and a period of even six months has been suggested as desirable if substantial assistance is to be given.
2. Although it is true that the estates under the past procedure would not require to raise money to pay Excise duty immediately the tea left the garden, it is most unlikely that Banks would have provided the necessary guarantee without some charge which might well have cost almost as much as the interest on money borrowed for the payment of Excise.
3. Although there would have been considerable difficulty in raising money to meet Excise when it was three or four annas a pound, the position has been greatly eased now that the Excise is only half an anna a pound, and the amount of documentation and additional work involved in claiming credit and in providing guarantees, though possibly worthwhile with high rates of excise duty, is deemed disproportionate to the benefits with excise at only half an anna.
4. It has been suggested that instead of the Bank granting guarantees should any increase in the excise duty make a procedure of this sort necessary, it would be better if the Tea Board were itself to stand as guarantor charging perhaps a purely nominal sum for the service.

In the circumstances it was recommended that the period of credit should be not less than three months and that the Bank guarantee required should be given by the Tea Board. Such an arrangement it was felt would make the system attractive to tea gardens.

(c) *Clearance of Tea.*—At a meeting of the Calcutta Regional Committee on excisable products held on the 6th August, 1958 the Association's representative asked the Custom authorities to consider relaxing the rule, which requires that tea invoices must be cleared from factories in the serial order of their marking, because of the hardship it involved, particularly in the case of an estate despatching certain teas by air freight or under private contracts against which specific delivery dates had been cited. Under the rules, urgently required consignments had sometimes to be held back pending the clearance and despatch of intervening invoices resulting in an unnecessary delay in their disposal.

The authorities pointed out that invoices would have to be cleared from the factories in their serial order so long as estates wished to continue the use of standard invoice forms in lieu of Forms A.R. 1 and 4. If the estates adopted Form A.R. 1 in addition to their own invoices then the Excise authorities could allow the A.R. 1 to be numbered serially for excise purposes and chests to be numbered in accordance with the despatch policy of the estate concerned. Alternatively estates would have to use a double serial number on their invoice forms, the first number being the excise rotation number and the second, separated by an oblique, the estate's own reference number.

In examining these suggestions of the Customs authorities it came to notice that a previous Collector of Central Excise had instructed the excise officers not to insist on the clearances of consignments strictly in accordance with the serial numbers of the invoices and the Association asked whether similar orders could not be issued on the present occasion also. The Collector pointed out that owing to certain accounting difficulties it was not possible to accede to the Association's request and that as

proposed at the Advisory Committee meeting he had issued a Trade Notice in which he had agreed that—

- (a) Tea Estates may issue A.R. 1 in addition to the one or more invoices against it.
- (b) Invoices may bear two numbers—one, Central Excise serial number and another, the invoice number. While the issues will be made strictly in accordance with the serial order of Central Excise number, the same need not be the case in respect of invoice number.

Customs Reorganisation Committee.— In August the Customs Reorganisation Committee, under the Chairmanship of Mr. F. C. Badhwar, met representatives of the I.T.A. to take oral evidence. Representatives asked the Committee if the time taken to obtain Shipment Bills could be speeded up as there was a delay of 2-3 days and they would like, if possible, to have it reduced to a 24-hour period. It was explained that exporters frequently received telegraphic instructions to ship certain quantities of tea to certain ports and to ship the consignment on the first available steamer one had to move very quickly to get the documents in order.

Another point stressed was that there were too many duplicate checks in the port and that Customs Preventative Officers were sometimes over conscientious regarding the inspection of cargo into lighters, insisting, on many occasions, on the examination of chests from the very bottom of the lighter, which entailed a whole afternoon's work as the whole consignment had to be discharged. Mr. Badhwar said that he would most certainly bring the matters which the representatives had mentioned to the notice of the appropriate authorities. The Customs Reorganisation Committee have recently submitted their report to Government and Government's decisions on the Committee's recommendations are awaited.

Regional Advisory Committee for Land Customs matters.— Mr. E. A. Pitcairn of Messrs. Macneill & Barry Ltd. was nominated by the Associated Chambers of Commerce of India

at the suggestion of the Association to represent the Chambers on the Regional Consultative Committee on Land Customs matters set up by the Collector of Land Customs in July, 1958. Owing to the pressure of his official duties, however, Mr. Pitcairn had to resign this appointment at the end of July and Mr. N. P. Goenka of Messrs. Octavius Steel & Co., Ltd. was nominated in his place.

Customs Documentation : Procedure relating to the assessment of shipping bills for Tea.— In a letter dated the 20th June 1958 the Assistant Collector of Customs for exports announced that in respect of garden teas shippers would have in future to attach the gate passes with the shipping bills when presenting them for assessment of duty. It was not indicated why this change in procedure had been made but enquiries revealed that the Customs authorities did not intend to retain the gate passes, which they required merely to check certain information which was not otherwise available with them. In the circumstances it was thought that the new procedure would not inconvenience shippers.

A member, however, pointed out that the insistence on the submission of gate passes was causing delays in shipment because there were occasions when the Gate Passes were not available for one reason or another when the teas were ready for shipment. This led, if nothing else, to administrative inconvenience in the shippers' offices and at worst to missed shipments.

A further difficulty arose from the insistence by the Customs authorities that the gate pass and the Shipping Bill should tally in every detail. Overseas shippers sometimes asked the shippers to change the markings on the chests. These changes usually related to the garden mark or the description of the tea. A buyer might ask that an "LC" invoice should be re-marked "E X" or that a "Dust" tea be described as "fannings". This involved the removal of the mark "LC" or the word "Dust" on the chest and its substitution by the mark "E X" or the word "Fannings". If the object of the Customs authorities was to identify the teas under export with those shown in the gate pass it was pointed out that they could

do so from the other details contained in the invoice and marked on the chests viz. :—

- (1) Invoice Serial number.
- (2) Chest Serial numbers.
- (3) Total number of chests in invoice/break
- (4) Name of estate
- (5) Gross tare & nett weights of chests

and that it was not necessary to insist that the grade and the invoice prefix should also coincide.

These views were accordingly passed on to the Assistant Collector of Customs for export, who was asked to advise the Association of the exact purpose for which the gate pass was needed and to consider whether he could not withdraw his circular or at least permit shippers to change the invoice prefix or grade markings on tea chests if this was required by the buyers.

In response to this representation the Collector asked the Association to send a representative to discuss the matter with him and Sir Richard Duckworth attended a meeting on the 15th October 1958 when the Collector pointed out that the gate pass was required not to check the amount of excise duty paid by the estate but to confirm the factory weight as vouched for by the Excise Range Officer concerned.

As a result of the discussions it was finally agreed that gate passes need not be submitted along with Shipping Bills provided that the Shipping Bills were accompanied by garden invoices duly countersigned by the Central Excise Officers. As regards the changing of marks the Collector stated that he had no objection to the invoice prefix being changed but that he would have to refer the proposal regarding the change of grade markings to the Tea Board for their views.

The Tea Board's views are still awaited but in the meantime shippers are submitting their shipping bills with certified copies of the garden invoices, which the Collector of Central Excise was kind enough to authorise his factory inspectors to sign.

Central Sales Tax Act, 1956.— In the 1957 Annual Report it was recorded that Section 15 of the Central Sales Tax Act, 1956 was due to come into force on the 1st April, 1958. The Act was however amended during the year under review and the amended Act including Section 15 was brought into force on the 1st October, 1958.

The Central Sales Tax (Second Amendment) Act, 1958 received the President's assent on the 16th September, 1958. The Act mainly sought to avoid multiple taxation and to levy sales tax only at the first point of sale during a single movement of goods from one State to another.

The Assam Taxation (On Goods carried by Roads and Inland Waterways) Act, 1954.— During the year under review the Assam Carriage Tax continued to be levied despite strong representations to Government from the Association and other Producer Associations. The rate of tax continued at seven naye paise per pound, as introduced on the 1st October, 1957.

No further progress was made during the year in connection with the Association's appeal to the Supreme Court challenging the validity of the Act on constitutional grounds, and the Association was informed that there was no possibility of the case being heard before the end of March, 1959.

West Bengal Entry of Goods into Local Areas Act, 1955.— During the year under review, despite strong representations to Government from the Association and other Producer Associations, the West Bengal Octroi continued to be collected on teas coming into Calcutta. In this connection it was noted that the Government was proposing to refund the duty on tea waste brought into the city for the purposes of caffeine manufacture and a protest against this discrimination was made to the Government of West Bengal.

Wealth Tax on Companies.— During the year under review members were exercised regarding the implications of the Wealth Tax Act, 1957. This was discussed at length by the Finance and Taxation Sub-Committee of the Association and was referred to a small *ad hoc* sub-committee. In the meantime

however the Associated Chambers of Commerce of India had also been considering the problems which had arisen and it was agreed that representation to Government would be better made by that body, the Associated Chambers being apprised of the Association's views. At the end of the year Government had still not intimated a decision on the representations made.

Indian Companies Act, 1956.— During the year representations were made to the Association regarding the operation of Section 594 of the Indian Companies Act, 1956, whereby Sterling tea companies were required to file their balance sheets for the accounting period ending December, 1957. The question had arisen whether or not it was necessary for companies to show in their profit and loss accounts the corresponding amounts for all items in respect of the year 1956.

This question was examined in detail by the Finance and Taxation Sub-Committee of the Association, by the Association's legal advisers and by a meeting of representatives of Agency Houses. A reference was also made to the Bengal Chamber of Commerce and Industry whose advice was that representation to the Department of Company Law Administration was unlikely to prove successful. Accordingly it was decided not to pursue the matter.

Assam Chaplaincy Scheme.— During the year under review the Assam Chaplaincy Scheme continued to maintain four Chaplains in the tea districts. The Rev. L. N. Meredith who had been serving in the Dibrugarh area resigned during the year and was replaced by the Rev. H. R. Horsley who took up his appointment in October, 1958.

The Chaplains are posted as follows.—

At Tezpur	...	Rev F. Wyld
At Digboi	...	Rev. P. Innes
At Cinnamara		Rev. J. Nelson
At Chalkoa	...	Rev. H. R. Horsley

The rate of contribution by Tea Companies to the Chaplaincy Fund was maintained at Rs. 50/- per 100 acres during the year under review.

Drug Licences.— In last year's Report it was stated that a representation had been made to the Director of Health Service, West Bengal, for the exemption of tea garden dispensaries from the necessity of taking out licences under the Bengal Drug Rules, 1945. A reply was received in April 1958 that dispensaries might be exempted if they were charitable and if no medicines were sold. It was then pointed out to the Director that although drugs were supplied free to tea garden labour, it was the practice, in order to meet the convenience of certain Government officers such as Excise Staff who are employed in the estates, to issue medicines to them at a charge. The Director however replied that if this were the practice there was no provision in the Drugs Act and its Rules to allow such selling of medicines without the appropriate licence.

Assam Nursing Association.—The Assam Nursing Association continued to function satisfactorily during the year under review, the rate of contribution from Tea Companies being reduced from Rs. 8 to Rs. 6 per 100 acres for the year ending 31st March, 1959.

B. C. G. Vaccine.— As in 1957 no progress was made in resuscitating the Association's B.C.G. vaccination campaign and the work in this connection continued to be limited as before. It was decided however in November, 1958 that the matter should again be discussed with the Principal of the Ross Institute of Tropical Hygiene.

Ross Institute of Tropical Hygiene.— Tea companies in the membership of the Association continued to support the Ross Institute of Tropical Hygiene, India Branch, during 1958. For the year 1958/59 a change was made in the method of levying subscriptions, which had previously been collected on an acreage basis, and it was decided that the amount to be contributed should be 4 nP per 100 lbs. of tea produced on the basis of the average crop for the years 1955 to 1957.

Calcutta School of Tropical Medicine.— The members of the Association continued during 1958 to support the Calcutta

School of Tropical Medicine, the subscription remaining at 3 paise per acre. The total collection made on this account amounted to Rs. 10,642.90 and this sum was paid over to the School.

Two courses were held as usual during the year for the Licence and the Diploma commencing respectively on the 15th July and the 15th October, 1958. The first of these was attended by one Assistant Medical Officer from a member estate.

Planters' Amenities Fund.— During the year members contributed to the Planters' Amenities Fund at the rate of 25 nP an acre as in 1957.

As in previous years Branches were asked to submit proposals for the utilization of the moneys collected. Strong criticism was however made in certain quarters of the way in which the collections were being utilized and some companies felt impelled to withhold payment of contributions. The objects of the Fund were therefore restated in a circular letter from the Association in June 1958, consequent upon discussions in Calcutta and in London, and it was emphasized that the amounts subscribed should as formerly be spent in promoting communal activities of a sporting and outdoor nature, but that the purchase of equipment and the subsidising of clubs were contrary to the objects of the Fund. Despite this criticisms continued to be made and it was therefore decided that a meeting should be held on the 27th January, 1959 in Jerhat attended by the Calcutta Chairman at which the difficulties of administering the Fund would be discussed.

Cemeteries in the Tea Districts.— Agency Houses with interests in Darjeeling subscribed towards the Darjeeling Cemeteries Fund at the rate of Rs. 30/- for each garden, while those with interests in Cachar contributed towards the Christian Cemetery at Silehar at the rate of Rs. 20/- per garden in respect of all gardens in that district, except those in the Longai Valley.

Tea Waste (Control) Order 1958.— The draft Tea Waste (Control) Order 1958 which was published in the Gazette of India of the 23rd August 1958 provided for the licensing of all

persons exporting, selling, purchasing and storing tea waste and for the denaturing of tea waste before disposal.

In submitting comments on the rules the Association took the opportunity of urging that it would be in the interests of the Industry if tea waste were always destroyed and if its sale either for internal use or for export were banned. While control over the use of tea waste sold in India could be exercised, such control was not possible in respect of exports and, in view of the danger that the waste might be used to adulterate good tea, it was recommended to Government that a total ban on dealings in tea waste should be imposed.

As far as the rules themselves were concerned the Association asked that the following points should be clarified:—

- (a) Rule 3 as framed would make it necessary for all tea estates to take out licences as they had to store tea waste for some length of time until permission to destroy stocks was obtained from the Excise authorities. It was suggested that tea gardens should be exempted from obtaining licences unless they wished to sell tea waste.
- (b) Rule 4 required all tea waste to be denatured but it was suggested that exemption should be granted to tea gardens which destroyed their stocks as it would wasteful to denature them before destruction.
- (c) Rule 14 prescribed restrictions on the quantities of tea waste which might be held in stock by a licensee at any one time. It was pointed out that if tea gardens were not exempted from the provisions of the Control Order it would be necessary to place no restriction on the quantities of tea waste held by them pending destruction or else they would have to be allowed to destroy tea waste without waiting for the Excise authorities.
- (d) It was suggested that the following denaturants might be prescribed under the rules:—
 - (1) 1% Magnesium Oxide plus
 - 1% Aluminium Sulphate

- (2) 1% Lime plus 1% Lead Oxide
 - (3) 1% Magnesium Oxide plus 1% Alum
 - (4) 1% Kerosene Oil
 - (5) 1% Alum plus 1% Calcium Oxide
 - (6) 1% Lime plus $\frac{1}{2}$ % Asafoetida.
- (c) It was suggested that definite rules should be prescribed regarding the manner in which and the place in which tea waste should be stored if it was removed from a tea garden and that licence holders should be required to register their godowns.

Rate of Emigrant Labour Cess.— The Government of India, Ministry of Labour, fixed the rate of emigrant labour cess for the year 1st October, 1958 to 30th September, 1959 at Rs. 8/- per assisted emigrant.

Finance.— Copies of the audited balance sheets of the Association and the Scientific Department as at 31st December, 1958, together with the revenue accounts for the year, are attached to this report.

L. T. CARMICHAEL, *Chairman*
D. L. BLISS, *Vice-Chairman*
W. H. G. BARD
G. CARLTON
N. S. CORDWELL
SIR RICHARD DUCKWORTH
W. F. HUNTER-ARUNDELL
P. B. NETTLES
G. F. OLDHAM
J. SADDLER
H. K. STRINGFELLOW
C. D. WILSON

W. M. PARIS,
Assistant Secretary,

ROYAL EXCHANGE,
Calcutta, 21st February, 1959.

REPORT OF THE DARJEELING AND DOOARS SUB-COMMITTEE

The Darjeeling and Dooars Sub-Committee.— The following gentlemen served as members of the Darjeeling and Dooars Sub-Committee for 1958.

Mr. G. Kydd, <i>Chairman</i>	}	Messrs. Octavius Steel & Co., Ltd.
Mr. J. C. Crawford		
Mr. G. Carlton	}	Messrs. Davenport & Co., Private Ltd.
Mr. L. N. S. P. Pyke		
Mr. L. T. Carmichael		Messrs. Duncan Brothers & Co., Ltd.
Mr. N. S. Coldwell, M.C.		Messrs. James Finlay & Co., Ltd.
Mr. A. C. H. Dolphin		Messrs. Shaw Wallace & Co., Ltd.
Mr. P. Fraser-Casey		Messrs. McLeod & Co., Ltd.
Mr. I. F. Morriss, O.B.E.	}	Messrs. Jardine Henderson Ltd.
Mr. W. F. Hunter Arundell		
Mr. G. F. Oldham	}	Messrs. Andrew Yule & Co. Ltd.
Mr. B. Mitter		
Mr. G. A. Whitaker		Messrs. Gillanders Arbuthnot & Co., Ltd.
Mr. P. H. Williamson, M.C.	}	Messrs. Williamson Mayor & Co., Ltd.
Mr. P. B. Nicholls		

During the absence on leave of Mr. G. Kydd from December, 1958 Mr. G. Carlton acted as Chairman of the Sub-Committee.

Minimum Wages for the Dooars & Terai.— In last year's report it was recorded that the Chairman of the West Bengal Minimum Wages Advisory Committee had asked both employers and labour to submit written statements explaining why they could not accept the recommendation made in his

draft report that the minimum daily wage should be increased by 1/1%. These written statements had been submitted and a meeting of the Advisory Committee was held on the 26th and 27th May 1958 at which the Association was represented by Mr. N. S. Coldwell, Mr. K. R. Standing and Mr. J. L. Llewellyn. The meeting proved infructuous because the labour insisted that the wage increase proposed was insufficient and that, pending the implementation of the recommendation made by the Indian Labour Conference at its 15th Session that wages should be calculated on the basis of 3 consumption units for an adult male worker, the cash wage of the adult male worker should be fixed at Rs. 2/4 per day. The employers insisted that the statistical position did not warrant any increase in the wage rate.

Early in September a report appeared in the Press stating that it was Government's intention to order an increase of one anna a day in the minimum wages paid to plantation labour in the Dooars & Terai. As no official announcement on the subject had been made the Association wrote immediately to the Government of West Bengal enquiring about the correct position and requesting, if the Press report was correct, an interview with the Labour Minister prior to his forthcoming departure on a tour of the tea districts in North Bengal. A reply was received from Government stating that the Labour Minister's forthcoming tour was entirely unconnected with the question of minimum wages which was being considered separately according to the recommendations in the Advisory Committee's report. Up to the time of writing, however, no decision has been announced by Government on this matter.

Minimum Wages Advisory Committee for Darjeeling.—In last year's report it was mentioned that the first meeting of the Advisory Committee had been held in Darjeeling on 8th and 9th November and was attended on the Association's behalf by Sir Richard Duckworth, Bart., Mr. A. N. Banerjee and Lt.-Col. E.S.E. Reerie. The Committee's questionnaire calling for statistics regarding population and employment, wages and amenities, the financial position of companies etc. was cir-

culated to Tea Estates in the Darjeeling area but the outcome of the enquiries is not yet known.

West Bengal Plantations Labour Rules : Returns.— During the year it was reported that several of the annual returns required under the Plantations Labour Act, etc. had not been submitted by gardens to the Government Departments concerned. Members were advised to look into the matter and ensure that all outstanding returns were submitted and in future to file their returns in time to avoid prosecutions being launched against them.

Payment of Cloth Compensation to employees on Darjeeling Gardens.— In last year's report it was recorded that the Association had protested to the Government of West Bengal against its action in referring the question of the payment of cloth compensation to labour for 1953 to an Industrial Tribunal despite the fact that the Darjeeling Branch had already recommended such payment to its members. In reply to this representation Government advised the Association that it could not withdraw the reference and that in the circumstances it would be necessary for the parties to file an agreed settlement with the Tribunal on the basis of which the reference would be disposed of. An agreed settlement was accordingly filed with the Tribunal on the 30th May, 1958 and the Tribunal's award disposing of the reference was published in the Calcutta Gazette of the 3rd July, 1958.

Clerical Staff Bonus in the Deoars. During the year the clerical and medical staff in the Deoars were paid their bonus for the year 1956 but some of them only accepted payment under protest because they disagreed with the Association's interpretation of the Bonus Agreement. It was the view of the Staff Union that the Agreement should be interpreted in such a way that the staff members would secure each year whichever bonus was higher, whether under the old company formula or the I.T.A. formula by which it was superseded. The Union explained that while staff members had benefitted enormously by the I.T.A. formula for some years such benefits had been extinguished in 1955 and subsequent years and members were

now losing heavily. The Association, however, remained adamant in its interpretation of the Bonus Agreement that the guarantee to compensate an employee for any loss incurred by virtue of his acceptance of the I.T.A. formula applied to the total bonus received during the full period of the Agreement and not to each individual year's bonus and advised the Union that it could not agree to any change being made.

Bonus for 1956 for Subordinate Staff in the Dooars. As, under the Bonus Agreement, the amount of bonus for 1956 which would be payable to the Subordinate Staff on some estates in the Dooars would work out to less than the bonus of Rs. 50/- due to the labour under the Delhi Agreement, the Association agreed that this category of staff might be paid a minimum bonus of Rs. 51/- for 1956.

Plantation Labour Housing Scheme, West Bengal.— During the year the Association was advised by the Government of West Bengal that the Rules for the administration of the Plantation Labour Housing Scheme had now been finalised and that printed copies of the Scheme, which provides for the grant of loans for housing construction, were available for sale at the West Bengal Government's publication sales store, 1, Hastings Street, Calcutta.

West Bengal Housing Advisory Board: Housing Specifications for Tea Garden Labourers Houses.— During the year three meetings of the West Bengal Housing Advisory Board were held on the 11th February, the 10th July and the 27th November. The main business at these meetings was the consideration of the specifications and estimates for tea garden labourers houses prepared by the Chief Engineer of the Housing Directorate of the Government of West Bengal. These specifications had been drawn up by the Chief Engineer on the basis of the recommendations of the Housing Ministry of the Government of India and provided for the construction of 2 roomed houses in twin blocks and for community type baths (one unit for 5 twin blocks) and dug well latrines (one unit for each twin block).

The standard of accommodation provided for each house was :—

	<i>Plains gardens</i>	<i>Hills gardens</i>
1. Bed room No. 1	120 sq. ft.	100 sq. ft.
2. Bed room No. 2	96 sq. ft.	100 sq. ft.
3. Kitchen & Verandah	100 sq. ft.	82.66 sq. ft.
4. Storage place for food & fuel	12 sq. ft.	12 sq. ft.
	<hr/> 328 sq. ft.	<hr/> 294.66 sq. ft.

and it was estimated that the twin block would cost Rs. 6,000 in the plains and Rs. 6,360 in the hills. These specifications were accepted by the Housing Advisory Board and copies together with type plans were circulated to members with Circular Letter No. 16 of the 30th January, 1959 which is reproduced in the appendices to this report.

At the instance of the employers' representatives the Chief Inspector of Plantations agreed to certain modifications in the specifications, not as regards area and size, but as regards materials to be used. These alternative specifications were also made known to members in Circular Letter No. 16 but it was pointed out that if they were used the gardens would not be able to secure loans under the Plantation Labour Housing Scheme Rules, 1958, to which reference is made elsewhere in this report.

The Advisory Board also gave consideration to the procedure which should be followed in dealing with applications submitted by tea gardens for exemption under Rule 47 of the West Bengal Plantation Labour Rules from the obligation to construct their quota of houses in a particular year. As a result of the discussions the various interests represented on the Board were asked to submit their views in writing on the circumstances in which exemptions might be granted. The Association submitted its views in this connection in a letter dated the 1st October, 1958 in which it was suggested that an estate should be excused from the statutory obligation to build houses

in any year which followed a year of loss, it being left to the estate to build as many houses as its circumstances permitted. As regards other cases each application would have to be dealt with on its individual merits but the Housing Committee would have to bear in mind that costs and circumstances had changed considerably since the target of 8% per year had been laid down for labour housing. The Association's representation, which is reproduced in the appendices to this report, will be considered by a meeting of the Advisory Board along with the views of the other Producer Associations concerned at a meeting to be held on the 9th March, 1959.

Air Services in the Dooars.— The various air fields in the Dooars continued to function successfully under the control of the local air field Committees and the aircraft operated by the Dooars Branch provided a valuable service throughout the year. The Sub-Committee are generally satisfied that the Branch Air scheme serves a useful purpose. As in past years Messrs. Jamair Co. Private Ltd. were retained to provide air services between Calcutta and the Dooars and gardens in the Dooars agreed to ship 2½% of their crops as backloads by that Company.

Towards the end of the year the Association's Dooars Branch entered into an agreement with Messrs. Associated Air Works for an experimental period of one year whereby the Branch Air Scheme would be operated by Associated Air Works in return for the payment of a monthly fee by the Branch.

West Bengal Estates Acquisition Act, 1953.— The Committee to examine land utilization in West Bengal, to which reference was made in the 1957 Annual Report and on which the Association is represented by the Deputy Chairman, held two meetings during the year, both in Darjeeling, on the 14th, 17th and 18th March and the 9th and 10th June, at which the claims of individual gardens were heard, as in previous years. While generally speaking less land was recommended for acquisition than had been feared, in a few cases it appeared that less than

justice was done to individual estates, and the members concerned were assisted with advice on the presentation of their cases to the Board of Revenue.

It appeared from decisions taken at the Committee meetings that the importance of jotes in a garden's economy is coming to be more and more recognized, also the contention that "purposes necessary for the manufacture of tea" included also such items as hats, bazars, khet and the like, the community's needs being considered and not merely those of the factory or the actual tea bushes.

Representations were also made to the Committee, the Director of Land Records and the Board of Revenue, regarding the renewal of leases and the difficulties inherent in a system of annual renewal were explained. An assurance was obtained that there was no intention of changing the nature of the existing leases or of taking advantage of anyone who signed an annual lease as a temporary measure. Although the outlook remains to a certain extent one of anxiety, the Committee has on the whole shown moderation in its deliberations and the deprivations are not generally as serious as once seemed likely. Some 48 gardens remain to be considered.

West Bengal Agricultural Income Tax.— (a) *Amendment to the Act.*—An Amendment to the Bengal Agricultural Income Tax Act, 1944 which received the assent of the Governor on the 13th January, 1958 was applied with effect from the 1st April. Its effect was to increase the rates of tax payable by agricultural companies from 4 annas to 40 naye paise in the rupee. Representations to the Chief Minister had proved unavailing but it was hoped that the revenues derived from the increase would be used substantially in the tea districts. The Chief Minister also agreed that Government would issue administrative instructions which would have the effect of excluding from returns under the Act any produce of a garden such as fuel, thatch, bamboo etc unless it were sold. At the end of the year however Government's orders in this connection were still awaited.

(b) *Test Case*.—The Test Case which the Association had filed on the validity of the ruling that thatch, bamboo etc. were not agricultural income under the Act, unless sold, was decided against the Association in the Calcutta High Court on the 11th September, 1957. The Association, therefore, instructed its legal advisers to apply for leave to appeal to the Supreme Court, which was granted on the 17th February, 1958. The Appeal had not been admitted by the end of the year but it was hoped that the case would be heard in 1959.

Road Communications in North East India : Maintenance of Local Board Roads.— During the year the Association has been pressing the Government of West Bengal to take action so that the increased income accruing from Agricultural Income Tax would be used for the improvement of communications in the plantation areas. A list of the Roads upon which the extra funds might be spent was submitted to the Development Commissioner and it has been urged that arrangements should be made to include the recommended projects in the forthcoming budgets.

Roads in Darjeeling.— The Deputy Commissioner of Darjeeling informed the Association that the Mirik Panighatta road has been included in the Second Five Year Plan although it cannot be assured that the project will in fact be taken up within the period specified. A survey has been made and the road if constructed will be of very definite value.

Movement of Tea to Calcutta : The Guaranteed Transport Scheme.— In last year's report details were given of the Guaranteed Transport Scheme introduced by the North Eastern Railway under which they guaranteed to deliver tea to Howrah, Chitpur and the K. P. Docks in not more than seven, seven and nine days respectively on the payment of a Quick Transit charge of six pies in the rupee of the total freight. This scheme continued to operate during 1958 and, despite occasional suspensions for operational reasons, proved to be of great benefit to gardens in Darjeeling which depends on it to get teas down to Calcutta as quickly as possible.

Tuberculosis Sanatorium, Darjeeling.— In 1957 a proposal was made by the Association that the Tea Board should endow six beds in the proposed Deshbandhu Tuberculosis Hospital in Darjeeling. Due to a dispute about the site the building of this hospital was postponed indefinitely, but an alternative proposal was made that the Tea Board should provide for the endowment of six beds in the S. B. Dey Sanatorium at Kurseong. This proposal will be discussed at the Tea Board's meeting in March, 1959.

Training of Dhais at Darjeeling.— The courses organized by the Deshbandhu Dai Training Society at Darjeeling continued to be held in 1958 and a number of tea garden nominees attended, applications for admission being channelled through the Association and the Tea Board.

Darjeeling & Dooars Nursing Home.— The Darjeeling and Dooars Nursing Home continued to function during 1958 and was in fact more extensively used. The rates of subscriptions remained unchanged as follows:—

For gardens in Darjeeling	Rs. 1/50 per acre
For gardens in Terai	.. 1/25
For gardens in the Dooars	
excluding Eastern Dooars	.. 0/60
For gardens in the Eastern Dooars	.. 0/40
Special Health Service Scheme	.. 1/50

These rates will be maintained for the 1959 subscription. A number of gardens however resigned from membership during 1958.

The West Bengal Factories Rules 1958.— Copies of the West Bengal Factories Rules, 1958, which were published in the Calcutta Gazette of the 18th July, 1958, were issued to members for insertion in Volume II of the Labour Legislation Manual. A guidance note listing the forms and registers which would have to be maintained by tea gardens under the rules was issued to members under Circular letter No. 99 of the 15th September, 1958.

The West Bengal Factories (Exemption) Rules 1958.— The West Bengal Factories (Exemption) Rules 1958, which were

published in the Calcutta Gazette of the 29th May, 1958, were issued to members in Circular Letter No. 102 dated the 24th September, 1958 together with a revised guidance note setting out a complete list of exemptions available to tea garden factories in West Bengal.

Dooars Chaplaincy Scheme. - On the recommendation of the Darjeeling and Dooars Sub-Committee Agency Houses with interests in the Dooars increased their contributions to the Dooars Chaplaincy Scheme from Rs. 75/- per garden to Rs. 150/- per garden in 1958.

St. Andrew's Church, Darjeeling.— Following reports that the fabric of St. Andrew's Church, Darjeeling was in a serious state of decay the Church was surveyed by a qualified architect and estimates were obtained which showed that an expenditure of approximately Rs. 10,600/- would be necessary for the satisfactory restoration of the Church. Of this amount a sum of Rs. 4,200/- was raised locally but as the Church authorities had no funds of their own to undertake the repairs they appealed to the Association for assistance. Agency Houses with interests in Darjeeling agreed to contribute at the rate of 33 nP. per acre and a sum of Rs. 5,862/84 was collected and forwarded to the St. Andrew's Church Restoration Fund through the Darjeeling Branch.

Darjeeling Chaplaincy Fund.— During the year under review Agency Houses' gardens in the Darjeeling District contributed as in previous years at the rate of 26.2 nP. per acre to the Darjeeling Chaplaincy Fund for the maintenance of a Chaplain in that area. The total sum collected at this rate amounted to Rs. 4815.86 and this sum together with a sum of Rs. 440.12 received from a member on account of 1957 was paid to the Bishop of Barrackpore under whose jurisdiction Darjeeling falls.

G. KYDD.

Chairman,

Darjeeling & Dooars
Sub-Committee.

Royal Exchange,
Calcutta, 23rd February, 1959.

REPORT OF THE SCIENTIFIC DEPARTMENT
SUB-COMMITTEE FOR THE YEAR ENDING
31ST DECEMBER, 1958

The following persons served as members of the Scientific Department Sub-Committee during 1958.

Mr. N. S. Coldwell, M.C. (Chairman)	...	Messrs. James Finlay & Co., Ltd.
Mr. P. B. Nicholls (Vice-Chairman)	...	Messrs. Williamson Magor & Co., Ltd.
Mr. E. H. Adams	...	Messrs. Jardine Henderson Ltd.
Mr. D. L. Betts	...	Messrs. Gillanders Arbuthnot & Co., Ltd.
Mr. A. C. H. Dolphin	...	Messrs. Shaw Wallace & Co., Ltd.
Mr. A. K. J. Henderson Sir Richard Duckworth, Bt.	} }	Messrs. James Warren & Co., Ltd.
Mr. G. Kydd Mr. W. H. G. Baird	} }	Messrs. Octavius Steel & Co., Ltd.
Mr. G. F. Oldham Mr. B. Mitter	} }	Messrs. Andrew Yule & Co., Ltd.
Mr. J. Saddler, M.B.E.	...	Messrs. Macneill & Barry Ltd.
Mr. C. D. Wilson Mr. H. K. FitzGerald	} }	Messrs. Balmer Lawrie & Co., Ltd.

Organisation of the Tocklai Experimental Station.— At the end of the year under review the Senior Staff at the Experimental Station consisted of:—

Tocklai Establishment—

Director	...	Mr. H. Ferguson
Scientific Officer (Headquarters)	...	Mr. A. D. Swan

Advisory Officer (under training)	Mr. W. Hadfield
Maintenance Engineer	Mr. N. C. Barua

Botanical Branch—

Senior Botanist and Plant Physiologist ...	Dr. W. Wight
Plant Physiologist ...	Dr. D. N. Barua
Selection Officer ...	Mr. M. J. Green
Assistant Officer ...	Mr. P. K. Barua

Agricultural Branch—

Senior Agriculturist ...	Mr. S. K. Dutta
Assistant Agriculturist ...	Mr. S. K. Basu
Agronomist ...	Dr. K. N. Sharma

Soil Chemistry—

Senior Physical Chemist ...	Mr. N. G. Gokhale
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Tea Chemistry and Technology—

Senior Bio-Chemist	Dr. I. S. Bhatia
Assistant Bio-Chemist ...	Dr. N. B. Chanda
Tea Taster ...	Mr. J. M. Trinick

Plant Pathology—

Senior Entomologist ...	Dr. G. M. Das
Mycologist ...	Mr. K. C. Sarmah
Testing Officer ...	Dr. T. D. Mookherjea

Statistics—

Senior Statistician ...	Dr. A. R. Sen
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Engineering Department—

Senior Research Engineer ... Mr. I. McTear

Assistant Research Engineer Mr. D. N. Borbora

Organisation in the Advisory Services

ASSAM

Senior Advisory Officer ... Mr. P. M. Glover

Advisory Officer, North Bank Mr. D. J. Gray

Additional Advisory Officer Dr. P. C. Sharma

Advisory Officer, Cachar ... Mr. E. D. Heath

WEST BENGAL

Senior Advisory Officer ... Mr. R. I. Macalpine

Advisory Officer ... Mr. W. J. Grice

Assistant Advisory Officer ... Mr. H. Mitra

Staff.— (a) *Leave.*—The Director was on leave and duty in the United Kingdom from 9th June to 30th July, his place being taken by Dr. Wight. Mr. Swan the Scientific Officer (Head-quarters), was on leave from May to October and Mr. D. J. Gray, Advisory Officer, North Bank, was granted special leave in October and November to get married. Dr. D. N. Barua, Plant Physiologist, spent a long leave in India from March to June which included duty visits to other research stations. Mr. Trinick, the Tea Taster, proceeded on leave to the U.K. in December. Mr. D. J. Wood left on retirement on 20th April.

(b) *Visits.*—Dr. G. M. Das, Entomologist, and Mr. S. K. Dutta, Agriculturist, paid duty visits to the U.K. from June to November and from April to October respectively. Mr. N. G. Gokhale, Physical Chemist, was a member of an Indian Government Trade Delegation to the U.S.S.R. from May to August. Mr. M. J. Green, Selection Officer, and Mr. W. J. Grice, Advisory Officer, Darjeeling attended a symposium on Tea Planting and Rehabilitation in Ceylon in November and December.

(c) *Promotions etc.*—

(i) The Director has been offered and has accepted a new contract for 3 years.

(ii) Mr. I. McTear, Senior Research Engineer, agreed to accept a new contract for a further period.

(iii) Tea Chemistry and Technology Branch:—

Mr. J. M. Trinick, Tea Taster, was granted Senior Officer allowance from 18th May.

(iv) Botanical Branch:—

Mr. M. J. Green, Selection Officer, was granted Senior Officer allowance from 28th June.

(v) Agricultural Branch:—

Dr. K. N. Sharma, Agronomist, was confirmed in his appointment in the Additional Officer Grade in July

(vi) Headquarters:—

Mr. N. C. Barooah, Maintenance Engineer, was confirmed in his appointment in the Additional Officer Grade in June.

(d) *New Appointments.*—

Statistical Branch:—

Dr. A. R. Sen, Senior Statistician, was appointed in the Officer Grade on 12th March.

Tea Chemistry and Technology:—

Dr. I. S. Bhatia, Senior Biochemist, was appointed in the Officer Grade on 15th August.

Plant Pathology:—

Dr. T. D. Mookherjee, Testing Officer, was appointed on 13th February in the Additional Officer Grade.

(c) *Accommodation.*—

(1) *Tocklai.*—During the year the re-building of the bungalow, destroyed by fire in 1957, was completed and occupied by Mr. P. M. Glover. One new bungalow was also completed and occupied by Mr. M. J. Green. Mr. Green's bungalow then became available for Mr. W. Hadfield.

(2) *Advisory Branches.*—Negotiations commenced and are now being finalized for the purchase of a house in Darjeeling for Mr. W. J. Grice. Negotiations were also finalized regarding the purchase of the bungalow and adjacent land occupied by Mr. E. D. Heath at Silcoorie in Cachar. Construction continued of the new bungalow for Mr. D. J. Gray on the North Bank and this is expected to be completed early in 1959.

Branches.— In the Physico Chemical Branch work continued on the variation of chemical composition of tea under various conditions. Investigation into recovery of Phosphate by green crop, manured by superphosphate, and indigenous rock phosphate continued. Results showed a much higher rate of recovery in the case of superphosphate. Investigations into the changes in soil nitrogen under varying shade conditions commenced during the year, and the work on the complete chemical analysis of tea leaf was continued.

The Botanical Branch continued its work on tea breeding and propagation, and an advisory service on the latter was instituted at the beginning of the year. Several new clones and a biclonal progeny have reached the stage of testing. Work on Morphology continued to concentrate on the study of calcium oxalate crystals and their relationship to types of tea and manurial treatments, and the relationship of these to yield and quality. Studies of the effect of shade have been continued with a view to elucidating the physiological relationship between tea and artificial shade and tree shade.

The Agricultural Branch as usual conducted a large number of experiments during the year many of which are of long term

duration. The main subjects of investigation were Manuring, Shade and Pruning, 58, 14 and 26 experiments respectively, being in progress. A further 24 long and short term experiments were conducted on other aspects of tea cultivation. Results during the year indicate nitrogen manuring as significantly beneficial in mature tea and phosphate and potash as beneficial in young tea.

The Pathology Branch continued its investigation into various pests and diseases of tea, the main ones being Red Spider, Eelworm, Purple mite, Thrips and Jassids in the Entomology section and Tea flower disease, and Root rots in the Mycology section. The recently established Pesticide Testing Unit initiated work on the screening of pesticides and herbicides, and on tainting and residue tolerance.

In the Biochemical department work was carried out on the chemical basis of quality, the chemical differentiation of species etc., the volatile substances of tea, carbohydrates of tea, estimation of polyphenols in tea, and on the effect of water on the quality of made tea.

The Statistical Branch was established during 1958. A sample survey on pests and diseases was initiated on a fairly small scale and now extends to 27 gardens. Some of the data on plucking and rainfall etc. previously collected by the Station were analysed and summarised.

The development of improved machinery continued to engage the attention of the Engineering Branch. Further investigations were made into the mechanical harvesting and pruning of tea, and connected manufacturing trials were carried out. The continuous withering machine ex U.K. was installed and tested, the tests this year being mainly confined to mechanical and combustion tests. Modifications were made to the Rotorvane and Continuous Roller No. 2 and commercial tests carried out, and the Association once again gratefully acknowledges the assistance and co-operation rendered by the Dhoolie Tea Company and The Kanan Devan Hills Produce Co., Ltd. Manufacturing tests were conducted on the subject of drying tea by direct heat methods and by a continuous alternating drier.

The Advisory Services were again well used during 1959. In Assam, including the South Bank, North Bank, and Cachar 274 member gardens were visited and 64 non-member gardens. In West Bengal, including Dooars, Darjeeling and Terai, 216 member gardens and 49 non-member gardens were visited. The Advisory branches on the North Bank and in Darjeeling and Terai became fully effective during the year.

Duplicates and modifications of many of the Borbhetta experiments were conducted in all districts under the supervision of Advisory Officers. These experiments are conducted in co-operation with the Agricultural Branch at Tocklai.

Specialist advice was given by scientific and technical officers from Tocklai when required. In particular the Botanical Branch Selection Officer was engaged full time on advisory work in tea propagation and the taster gave advice on manufacture as far as his other duties permitted. Advice on the installation and operation of Rotorvanes was given to several gardens.

Annual Conference.— The Tocklai Annual Conference was held at the Experimental Station from the 11th to 13th November. The subject this year was "Engineering Development and Manufacture." The Conference was highly successful and delegates were greatly interested in the papers read and the demonstrations given. A notable feature was an address given by Dr. E. A. H. Roberts on his investigations into the chemistry of made tea.

Annual Lecture Courses.— Three general lecture courses were held at Tocklai in February and March. Each course was attended by 25 nominees of members and other producer Associations. The courses were conducted as usual by the Advisory Officers and consisted of lectures and practical demonstrations. Two Vegetative Propagation Courses were also held in November, each attended by 20 nominees from members of the Association.

Jorhat Exhibition.— For the second year Tocklai ran a stall at the Jorhat Exhibition in February. Various aspects of tea

culture and manufacture and of machinery development were displayed by the use of samples, charts and photographs. The display was undertaken by the Advisory Branch.

Labour Relations.— (i) A Tribunal was set up to adjudicate on a dispute with the Tocklai Employees' Union regarding their terms of service. Hearings were completed by the end of the year, but the award has not yet been announced.

(ii) A Tribunal also commenced regarding the discharge of an employee (subsequently deceased). This case has been referred to the High Court.

Labour relations on the whole remained good.

Visits.—

(a) Dr. Ramamurthi of Messrs. Tata Fison Ltd. visited Tocklai during October and November to carry out experiments relating to the control of eelworm.

(b) Dr. E. A. H. Roberts of the London Laboratory paid a short visit during November in connection with the investigation into the chemistry of made tea. He attended the Annual Conference, where he addressed delegates. Discussions also took place with the Director and with Dr. I. S. Bhatia, Senior Biochemist, as also with members of the Scientific Department Sub-Committee at Tocklai.

(c) Mr. W. G. L. Austin of Plant Protection Ltd. left on the 26th May. He had been helping with advice in carrying out experiments designed to ascertain means of combating blights and diseases in the field.

(d) As in former years there were many visitors to Tocklai. These included a Delegation of Senior Representatives of the Russian Tea Industry.

Tea Board Research Liaison Committee.— The Director continued to represent the Association on the Tea Board Research Liaison Committee and attended meetings as required throughout the year. He was also in constant touch with the Tea Board on other matters.

Scientific Department Publications.— In addition to the usual Annual and Quarterly Reports the following publications were issued by the Scientific Department during the year.

Articles

1. Life Expectation of Indian Tea Plantations by W. Wight.
2. Enzymic Oxidation of Polyphenols to Banzotropolones by E. A. H. Roberts.
3. Tetanus—by Dr. S. K. Sen.
4. Rate of Calcium Loss Resulting from Ammonium Sulphate Treatment of Tea Soil by N. G. Gokhale.
5. Murexide Test in Paper Chromatography by N. B. Chanda and S. Chakravarty.
6. Pretreatment of Tea Cutting for Distribution by Mail by W. Wight.
7. The Agrotype Concept in Tea Taxonomy by Dr. W. Wight.
8. The Chemistry of Tea Manufacture in N. E. India by E. A. H. Roberts.
9. *Septobasidium Theae* Beedijn and Steinmann from Assam by K. C. Sarma and V. Agnihothrudu.
10. The Phenolic Substances of Manufactured Tea II - Their origin as Enzymic Oxidation products in Fermentation by E. A. H. Roberts.
11. The Scope of Mechanization in Tea Production in North East India by P. M. Glover.
12. Agrotype Concept in Chemical Analysis of Tea by Dr. W. Wight.
13. A Statistical Proof of the Seasonal Variation of Soil pH by N. G. Gokhale and A. K. Sen Gupta.

14. Paper Chromatography as an aid to the Taxonomy of Thea Camellias by E. A. H. Roberts W. Wight and D. J. Wood.
15. Notes on Fungi from North East India, I. A. New Genus of Tuberculariaceae by V. Agnihothrudu.
16. The Phenolic Substances of Manufactured Tea III—Ultra violet and Visible Absorption Spectra by E. A. H. Roberts and Miss D. M. Williams.
17. Effect of Termite Activity on the Chemical Properties of Tea Soils by N. G. Gokhale, S. N. Sharma, N. G. Bhattacharyya and J. S. Dutta.
18. Effect of Prolonged Ammonium Sulphate Treatment on the Calcium Status of A Tea Soil by N. G. Gokhale and N. G. Bhattacharyya.
19. Species Hybrids of Tea By D. J. Wood and P. K. Barua.

Journals

1. Two and A Bud (Tocklai News Letter) Vol. V, Nos. 1, 2, 3, 4.
2. Cachar Quarterly Vol. III, Nos. 1, 2, 3, 4.

Tea Encyclopaedia Serials

- 1/1. Encyclopaedia of Tea.
- 2/1. Indexing of Tocklai Clones.
- 8/2. Black Rot.
- 9/3. The Early Treatment and Manuring of Young Tea.
- 17/3. Installation of Meteorological Instruments and Meteorological Observations.
32. Rat Poisons.
- 37/1. Appearance of Dry Tea.
- 55/2. Withering and its Relation to quality.

- 82/1. Notes on Bamboos.
- 94/1. Scavenger Termites.
- 103/1. Green Caterpillar—Defoliating nursery and Young shade plants.
- 105. Replanting of Tea.
- 107/1. How to send soil samples from proposed Nursery sites.
- 119. Control of Diseases of Green Crops.
- 120. Paddy Cultivation.
- 121. Handling of Plant Protection Products and Hazard to operators.
- 122. Classified Index of Encyclopaedia of Tea.
- 123. General Index of Tea Encyclopaedia.
- 124. Vegetative Propagation—1959.
- 125. Selective Nurseries.
- 126. Clonal Selection Schemes—Basic Programme for Selection and Propagation.
- 127. Clonal Selection Schemes—Clonal trials & Records.
- 128. Clonal Selection Schemes—Nucleus clones.
- 129. Clonal Selection Schemes—Field Selection Methods.

N. S. COLDWELL,

Royal Exchange.

Chairman.

CALCUTTA.

Scientific Department

23rd. February 1959.

Sub-Committee.

